TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas

BUREAU OF BUSINESS RESEARCH : THE UNIVERSITY OF TEXAS

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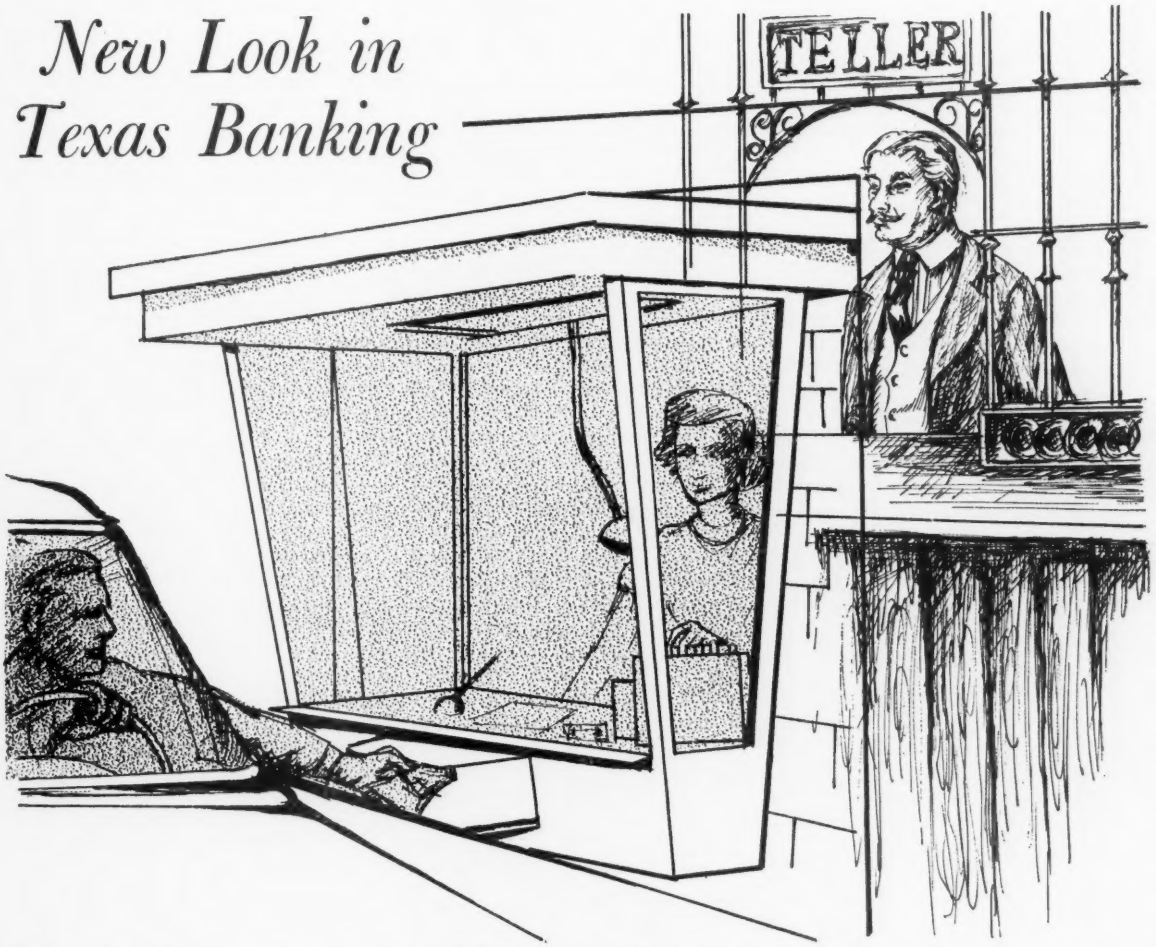
New Look in Texas Banking



The contrast between the rather forbidding interior of old-style banks and the informal convenience of a modern drive-up window symbolizes the drastic changes in banking practices and facilities in recent years. See page 5.

The Business Situation in Texas

By JOHN R. STOCKTON

Texas business continued to improve in July with a rise in the index of business activity from 224 to 226. The average for the first seven months of 1959 was 216, compared with an average of 197 for the twelve months of 1958. The July index was an all-time high and was 23% above the low point registered in the 1958 recession. This rapid recovery from the lows of the 1958 recession has been characteristic of business activity all over the country. A comparison of the rates of increase in Texas and in the United States shows them to be approximately the same, instead of the Texas increase exceeding the country as a whole, which has been the characteristic pattern since the end of World War II. The rise from the recession low of last year has been unusually rapid in the United States, but the rise in Texas business has been at about the same rate as in previous recoveries.

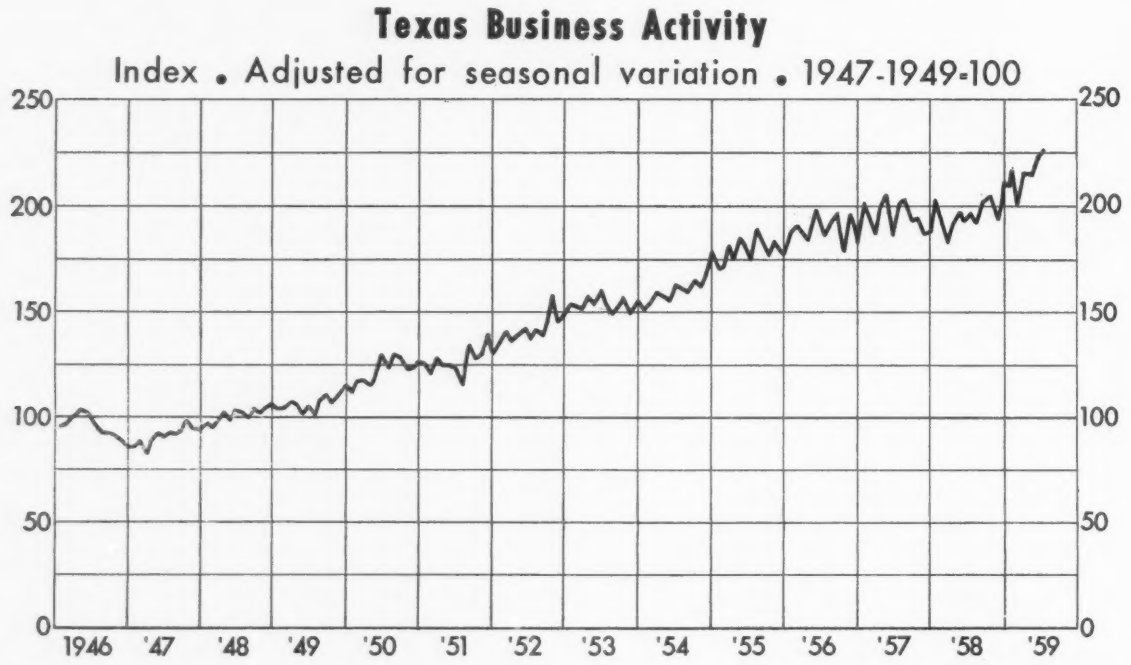
One of the most comprehensive measures of the level of economic activity by states is the compilation of personal income by the Office of Business Economics, United States Department of Commerce. In spite of the decline in business volume that continued into the early months of 1958, total personal income in Texas was 3.5% higher than in 1957. Some of this increase was related to increase in population, but per capita personal income registered a rise of 1.1%. It should be noted, however, that this increase was the smallest of any postwar year, although it was larger than the 0.7% increase for all states.

The rise in some phases of business in Texas during July was substantial, but the small rise in the index of total activity was due to declines in several important types of business. Industrial activity as represented by industrial power consumption declined 3% from June; manufacturing employment declined 1%. Most of the decline in employment was concentrated in petroleum refining and food processing, with small declines in certain other industry groups.

The index of crude petroleum production, adjusted for seasonal variation, declined 6% with the allowable cut from ten days in June to nine days in July. With August and September allowables also set at nine days, there is no immediate prospect of the oil industry offering any substantial support for a rise in business activity. Although the index of petroleum production for the first seven months was 14% above the same period of last year, average monthly production for this period of 1959 was lower than in any other year since 1950.

Crude runs to stills for the first seven months of 1959 were 11% above the same period of 1958, but the monthly average for 1959 is still below the peak year 1956. The May 1959 level of the index equalled the previous peak of 155 reached in June 1956, but that level has not been exceeded. Employment in petroleum refining for July 1959 was 43.1 thousand, compared with 46.6 thousand a year ago.

Employment in transportation equipment declined from 59.6 thousand in June to 59.1 thousand in July, but this latter figure was 3.4 thousand less than a year ago. This industry group consists largely of a few big concerns and is subject to the fluctuations in the procurement of military aircraft. Since this industry is one of the major factors in the economy of Texas, its failure to expand has been felt by the index of total business activity.

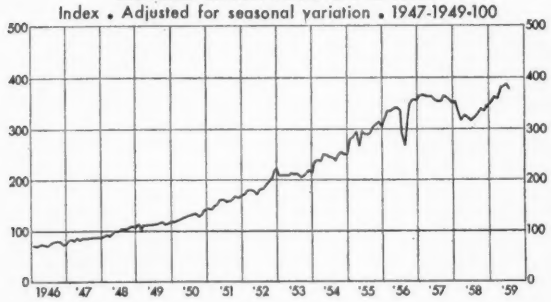


Although industrial power consumption declined in July, the first seven months of 1959 were 14% higher than the first seven months of 1958. Except for the industries mentioned above, the industrial segment of the Texas economy seems to be responding vigorously to the forces working to increase the level of business activity.

The rapid expansion of industrial production on a nationwide basis has been one of the significant features of the recovery from the third postwar recession. The index of industrial production for the United States compiled by the Board of Governors of the Federal Reserve System rose from a low of 126 in April 1958 to 155 in June 1959. The preliminary estimate of the index for July indicates that it will drop to 153, with the declines concentrated in steel and related industries. This movement may safely be considered an effect of the steel strike rather than any significant change in business activity.

There is no simple method of measuring the extent to which the rise in industrial activity reflected the accumulation of steel inventories in anticipation of the strike, but

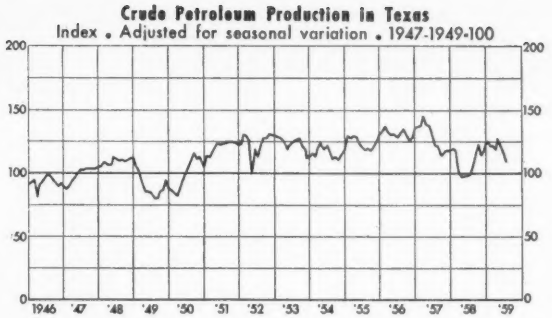
Industrial Electric Power Use in Texas
Index • Adjusted for seasonal variation • 1947-1949-100



probably this situation did influence the inventory change recorded by the Office of Business Economics, United States Department of Commerce. No information on inventories in Texas is available. but is not illogical to assume that essentially the same level exists in Texas as in the country as a whole. In the fourth quarter of 1958 inventories began to increase after declining for a year. The first quarter of 1959 registered a substantial increase and the second quarter an even greater increase. This rapid rebuilding of inventories that had been reduced during the recession has contributed to the upswing in manufacturing in Texas as it has in all parts of the country. Stocks of 1959 cars are still high, but there is no serious concern as to the ability of the industry to sell them before the 1960 models are ready for delivery. It is unlikely, however, that the rate of increase in inventories during the first half of 1959 can be maintained, although in the last upswing business inventories continued to increase for almost three years.

Another important factor in the present rise in business is the increase in capital outlays. The money spent for new plant and equipment in Texas represents one of the most dynamic elements of the business sistuation, since the industrial expansion of the state is determined by the amount of such expenditures. Expenditures for capital equipment in the United States have been rising in 1959 and expectations are that the total for 1959 will be approximately 7% greater than in 1958. Texas industry appears to be receiving at least as large a share of this new capacity as in

Crude Petroleum Production in Texas
Index • Adjusted for seasonal variation • 1947-1949-100



previous years. Expenditures for capital expansion serve as a strong stimulus to business and undoubtedly have contributed to the sharp rise in Texas business during 1959.

New construction authorized in Texas during July was valued at 14% more than in June, continuing the expansion of the earlier months of 1959. Each month of 1959 has been substantially ahead of the corresponding month of 1958, and the total value of new construction authorized during the seven months of 1959 was 12% greater than in the first seven months of 1958. Residential building rose 4% from June, but was 11% below July of 1958. The trend in Texas parallels the national picture, where expenditures for construction have been at record levels since last fall. Privately financed new housing starts in the United States in July were at the annual rate of 1.35 million, which was close to the record rate of 1.4 million in 1950 and ahead of the second best year, 1955. Thus construction shares with inventory accumulation and industrial expansion the credit for the expanded level of Texas business.

The rising level of business activity in Texas was reflected in the increase of 4% in consumer spending for July over June, after adjustment for seasonal variation. Sales of durable goods stores decreased 2% in July, but this decline was offset by an increase in spending in nondurable goods stores. In spite of the decline in sales of durables in July, the first seven months of 1959 have been a record-breaking period for sales by durable goods stores.

SELECTED BAROMETERS OF TEXAS BUSINESS
(1947–49 = 100)

Index	July 1959	June 1959	July 1958	Percent change: July 1959 from June 1959	Percent change: July 1959 from July 1958
Texas Business Activity	226	224	197	+ 1	+ 15
Miscellaneous freight carloadings in S.W. district	81	85	67	— 5	+ 21
Crude petroleum production	109*	116	105	— 6	+ 4
Crude oil runs to stills	134	140	136	— 4	— 1
Total electric power consumption	401*	393*	358r	+ 2	+ 12
Industrial electric power consumption	376*	386*	321r	— 3	+ 17
Bank debits	270	268	235	+ 1	+ 15
Ordinary life insurance sales	435	409	405	+ 6	+ 7
Total retail sales	229*	221r	216r	+ 4	+ 6
Durable-goods sales	181*	185r	153r	— 2	+ 18
Nondurable-goods sales	254*	240r	249r	+ 6	+ 2
Urban building permits issued	308*	249*	300r	+ 24	+ 3
Residential	298*	268*	334r	+ 11	— 11
Nonresidential	327*	233*	268r	+ 40	+ 22

Adjusted for seasonal variation.
* Preliminary.
r Revised.

Sales for the first seven months totalled 18% more than durable goods stores' sales for the first seven months of last year, with every type of business registering a substantial increase. Sales by nondurable goods stores were characteristically more stable with an increase of 2% between the first seven months of 1958 and 1959.

An increase in consumer spending is to be expected as part of the strong upswing that is occurring in business all over the United States. Incomes of Texas consumers have been increasing as a direct result of the expansion in business volume, and have in turn helped reinforce that increase in business.

Wage and salary income in the United States decreased in July as a result of reduced payrolls in industries affected by the steel strike, but the other sources of income registered enough gains to carry the July total above June and to another all-time high. Texas wage and salary payments in July apparently were not affected by the steel strike, although a prolonged strike would undoubtedly be felt in the state. Average weekly earnings in manufacturing increased from $90.30 in June to $90.49 in July, according to the Bureau of Labor Statistics. Estimates were also made for mining, communication and public utilities, retail trade, and wholesale trade. Average weekly earnings in retail trade showed a slight decrease in July, but this was the only category in which a decline was registered.

The level of consumer prices rose in July for the fourth consecutive month, bringing about an automatic increase in the wages of workers estimated to number a million. The rise has been slight, but the fact that it appears to be a steady rise suggests that it will continue as a regular feature of the cyclical upswing in business. The index of wholesale commodity prices has remained practically stationary due to the fact that a steady rise in industrial prices has been approximately offset by a decline in farm prices.

REVENUE RECEIPTS OF THE STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Account	September 1–July 31 1958–59	1957–58	Percent change
TOTAL	$1,046,235,209	$938,611,472	+ 11
Ad valorem, inheritance, and poll taxes	45,573,585	46,564,225	— 2
Natural and casinghead gas production taxes	43,522,678	39,420,085	+ 10
Crude oil production taxes	124,232,205	119,727,661	+ 4
Other gross receipts and production taxes	19,306,766	19,048,714	+ 1
Insurance companies and other occupation taxes	29,135,929	27,179,798	+ 7
Motor fuel taxes (net)	162,741,019	154,371,386	+ 5
Cigarette tax and licenses	46,594,420	43,867,826	+ 6
Alcoholic beverage taxes and licenses	30,443,878	28,975,231	+ 5
Automobile and other sales taxes	20,564,108	20,288,140	+ 1
Licenses and fees	31,592,386	30,970,786	+ 2
Franchise taxes	39,306,223	38,044,167	+ 3
Mineral leases, land sales, rentals, and bonuses	19,272,205	14,095,567	+ 37
Oil and gas royalties	29,430,122	25,831,128	+ 14
Interest earned	24,265,654	25,942,009	— 6
Unclassified receipts	72,721,302	67,708,402	+ 7
Other miscellaneous revenue	10,315,193	8,466,978	+ 22
Federal aid for highways	150,692,289	97,443,752	+ 55
Federal aid for public welfare	127,559,685	113,784,493	+ 12
Other federal aid	18,549,231	14,976,256	+ 24
Donations and grants	416,331	1,904,868	— 78

TEXAS BUSINESS REVIEW

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New Look in Texas Banking

By GIRDNER YOUNGQUIST*

Since World War II, changes in Texas banking facilities have been manifold, the new services, buildings, and equipment being reflections of the evolution of the character and personality of the bank as well as its tremendous growth. Banks have altered their operations over the years to meet the needs of our dynamic economy, and the bank of today is finding it necessary to have quarters designed for efficient functional operations combined with appeal to the general public.

Changes in the role of commercial banks in the economy have caused the majority of the alterations in bank buildings and fixtures. The most important change made by banks has been the shift in their lending philosophy. Prior to 1930, commercial banks' lending activity was confined almost exclusively to short-term, self-liquidating paper for commercial, industrial, or agricultural purposes. Although their short-term commercial loans are still important, they have become a progressively smaller proportion of bank assets, while the bank gives more of its attention to real estate loans, farm loans, and consumer loans. The modern bank offers services to its customers that would not have been dreamed of by the banker of forty years ago. The bank that was a "commercial" bank in the true sense of the word, making loans only for short-term commercial purposes, developed into the "department store of finance" that we know today.

Banks now actively solicit the patronage of the small customer who was formerly ignored. The small depositor and the consumer loan customer have become very important to the bank. The success of the modern bank depends on its obtaining the patronage of a wide number of people rather than on serving a relatively few business men. Since the old formidable appearance of the bank building was not conducive to the goodwill of the public, banks have been modifying their premises to show a more inviting and friendly atmosphere designed to urge people to come in and take advantage of the services offered. Modern bank design attempts to make the "little man" feel that he is playing an integral part in the bank's operations, rather than being an intruder within the hallowed walls of an aloof institution of finance.

Changes in the appearance of Texas banks since World War II have been immense. The somewhat austere, cold, and formidable look of traditional bank design, if not completely gone, is beating a rapid retreat before the onslaught of the bright, friendly atmosphere of the modern bank. The old establishment of gloomy, dark wood and ponderous marble, its walls adorned with massive paintings of fat Herefords knee-deep in lush pastures, or perhaps splendidly framed copies of "The Stag at Eve" or "The End of the Trail," has been supplanted by an edifice shining with blond wood and glass walls hung with modern abstract art in warm colors. The bank's customer no longer walks through massive steel doors up to a teller ensconced in a cage of bronze bars; he now passes through the wide doors of glass across a bright and cheerful lobby, with an almost imperceptible accompaniment of soft music, to transact his business with a teller at an open window with glass around its sides.

In many of today's banks the officers no longer are hidden in closed rooms, grandly aloof from the ordinary customer, but sit at their desks in the spacious lobby, where they are easily accessible to everyone who desires to consult them.

Many banks which are looking forward to future growth in their operations, especially those located in surburban areas with rapidly increasing populations, are constructing new buildings that may easily be expanded to meet their changing needs. These structures are planned so that additional floors may be added or adjacent open space may easily be enclosed. Also coming into ever wider use are interior partitions that may be moved with a minimum of difficulty, allowing comparatively easy modifications in working areas.

Although it is not a widely accepted idea, a few institutions have moved their main banking lobbies to the second floor or the mezzanine, where they are reached by escalators from the ground floor entrance. This practice allows the ground floor to be leased out for income production purposes.

A few banks had air-conditioning many years ago, but this has come into really general use only fairly recently. Air-conditioning is valued not only for the comfort of the customers, but for that of the employees as well. It has been found that comfortable temperatures may increase employees' efficiency by as much as 50 per cent. The year-round air-conditioning system which heats or cools as the weather demands has come to be considered a necessity in the modern bank, rather than a luxury as it was in an earlier time.

Drive-in banking is not entirely new. A few banks opened drive-up windows before World War II, but in recent years such features have become an extremely important form of bank service. Drive-in facilities enable the customer to transact his business quickly, without the trouble, expense, and annoying waste of time of having to park his car and walk, sometimes a considerable distance, to the bank. Customers, especially the housewives who are making up an even greater number of the bank's patrons, seem to like the easy informality of drive-in banking; they appreciate the freedom from having to "dress" in order to go to the bank on a busy housekeeping day.

There are wide differences in the drive-in facilities of individual banks, ranging from a single drive-up window at the side of the building to the large modern motor bank with several windows. Lack of suitable space in or adjacent to the main banking house has forced several banks to construct their drive-in facilities away from the main bank building. The use of separate motor banks, however, is

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complicated by the Texas law on branch banking, demanding that these annexes be connected to the main bank building. Some of the drive-in facilities have been joined to the main buildings by tunnels, and recently, since it has been held that a pneumatic tube constitutes connection under the law, several banks have connected them by that device.

Another innovation, often closely related to the drive-in service, is the walk-up window. Walk-up windows are tellers' windows located somewhere other than in the main banking lobby. They are sometimes referred to as "sidewalk tellers" because of their location at the side of the building by the sidewalk. The separate motor bank usually contains a walk-up window as well as windows to serve persons in automobiles. Many customers find it quicker and more convenient to patronize the outside walk-up windows rather than to make their way into the main bank lobby to the inside windows.

Drive-in facilities, walk-up windows, and the practice of mail deposit banking, the latter of which has really come into wide use only recently, have relieved the main bankng lobby of an enormous amount of activity and crowding. Without these three factors to take care of a large amount of business, the modern bank would find it necessary to increase greatly the number of tellers in the main lobby in order to serve the customers now accomplishing their banking business in other ways.

In this day of heavy automobile traffic, banks are finding it more necessary to provide parking facilities for their customers. These parking areas vary from small lots for the use of bank customers only, to large, many-level parking garages that are also patronized by people who are not visiting the bank. These large garages charge for parking, but the bank customer may be allowed to park free of charge for thirty minutes or longer if he has his claim ticket stamped in the bank. Convenient parking facilities are very important to the customers who have bank business that cannot be transacted at the drive-in window.

While many banks have for years had some rental space in their buildings, there seems to have been a noticeable increase in these facilities recently, for which there may be good reason. In addition to a large building's income production and the prestige its size gives the bank, it may be one of the few, if not the only, investment that a bank may make that offers a hedge against inflation. Since, in general, banks are restricted in their investments and loans to fixed income, fixed dollar amount obligations, many of them are turning to the one equity income investment left open to them—rental space in their own bank buildings. As prices increase, rents in the building may also be increased, giving rise to a greater dollar return on the investment, and also causing the money value of the building to increase. This inflation hedge device may be the explanation of why some banks have erected huge skyscrapers in recent years, in which actual banking facilities occupy only a relatively small part of the premises.

Employee relations have become very important to banks. In addition to improvements already discussed, such as the brighter atmosphere of the building, and air-conditioning, many banks provide recreation rooms or coffee lounges as places where the employees may relax during rest periods. Lunch rooms or cafeterias are also provided by some. These facilities are sometimes offered to customers as well as to employees.

The emphasis placed by banks on public relations in recent years has made them very civic-minded. Many banks offer meeting rooms for clubs and civic organizations, while some have community rooms and others have auditoriums that may be used for community functions. Often a table is provided in the lobby for the use of persons taking contributions for local charity drives or selling season tickets for community symphony concerts. All of these accommodations contribute a great deal to friendly public relations.

Information on construction activities of Texas banks since 1946 was obtained through a questionnaire survey made by the Bureau of Business Research. Of the 970 banks surveyed, 679 answers were received, a return of 70 per cent. It may be assumed that some improvements were also made by those banks from which no information was received, but the figures presented give a good indication of the large amount of building being done.

Texas banks have been expanding their investments in premises much more rapidly than banks in the United States as a whole. During the period from 1946 to 1958 there was a total reported expenditure of $147,661,543 for new buildings by 241 Texas banks. The amounts spent by individual banks varied widely, as did the totals spent in different years. It was noted that there was comparatively little building activity in the three years immediately following World War II, but the last ten years have witnessed a great upsurge in bank construction. From only $232,000 spent by three banks in 1946, reported expenditures reached a high of $34,987,984 for 33 new buildings in 1956. Last year 34 banks reported construction of new buildings at a total cost of $19,027,570. This figure is somewhat understated, however, because at the time the survey was made some of the buildings to be completed in 1958 were under construction and were reported as planned future development.

It is virtually impossible to state average amounts spent by individual banks, because of the enormous difference in their expenditures. One huge metropolitan bank built a $25 million skyscraper, while one small bank spent only $6,000 for its quarters. Although there were wide differentials in the ratios of individual banks also, averages of percentages are probably more significant than averages of absolute amounts. The average expenditure for new buildings as a percentage of the bank's capital was 47.8 per cent, and of total assets was 3.7 per cent.

Remodeling and expansion expenditures reported by 359 banks amounted to $44,887,198 between 1946 and 1958. From $423,329 spent by four banks in 1946, these expenditures rose to $8,633,253 by 42 banks in 1958. The remodeling or expansion activities reported varied from minor renovations to building of large new motor banks at a cost of several million dollars.

During this period 65 banks both built new buildings and remodeled or expanded, while only 155 of the 679 reporting institutions did neither.

In addition to the large number of construction projects already entered into by Texas banks, many more are planned for the future. While the stage of reported plans varied substantially, a large number of these facilities were to be completed soon after the survey was made. One hundred and twenty-four banks reported that they planned to erect new buildings, but only 87 of these gave estimated expenditures; these totaled $65,162,000. Future remodeling or expansion plans were reported by 108 banks, with

67 of them indicating a total approximate cost of $8,529,000.

Information on banks' drive-in and parking facilities was also gathered from the survey. Of the 679 answering banks, 247 reported construction of drive-in windows, and 214 reported new or expanded customer parking areas. These improvements ranged from large, elaborate motor banks and multi-level parking garages to single drive-up windows and small parking lots. The reported figures do not include all existing facilities, but only those which have been originated or expanded since 1946.

Rental space was offered by some banks of all sizes, but, as would be expected, a very large percentage of the total area was accounted for by the huge buildings of a few large banks. One hundred and seven banks reported a total of 3,447,000 square feet of rental space.

Auditoriums, meeting rooms, and other facilities made available for community use were other items about which banks were questioned. Both meeting rooms and auditoriums were reported by 33 banks, while 13 indicated an auditorium but no meeting room, and 270 had only meeting rooms to offer. Although in most cases it was not stated, a large number of the meeting rooms reported, especially by the smaller banks, were directors' rooms that were also used for small public meetings.

Texas bankers seem to be alert to the increasing banking needs of our economy. Industrialization in the state is increasing rapidly, accompanied by tremendous growth in population and in real personal income. The period since World War II has witnessed enormous strides made by Texas banks in modernization and expansion of their facilities, which reflect their changing attitude toward the public and their increasing need for operational space. Banks seem to be preparing to meet the increased needs of the economy both now and tomorrow by providing more comfortable working conditions for employees and better, faster, and more comfortable service for customers. Many banks have indicated their intention to rebuild or to remodel their buildings in the near future, and expectations of growing numbers of customers and increased amounts of deposits within the next several years will probably necessitate further extension of their premises by many banks. Although changes in the physical facilities of Texas banks have been phenomenal, it does not appear that the revolution has ended.

FEDERAL INTERNAL REVENUE COLLECTIONS

Source: Internal Revenue Service, U. S. Treasury Department

District	July 1–July 31		
	1959	1958	Percent change
TEXAS	$171,985,055	$163,906,387	+ 5
Income	42,007,369	35,109,159	+ 20
Employment	49,323	114,908	— 57
Withholding	120,221,401	117,886,217	+ 2
Other	9,706,962	10,796,103	— 10
SOUTHERN DISTRICT	88,131,747	86,865,162	+ 1
Income	16,208,204	18,533,815	— 13
Employment	3,717	11,863	— 69
Withholding	64,906,201	61,660,606	+ 5
Other	7,013,625	6,658,878	+ 5
NORTHERN DISTRICT	83,853,308	77,041,225	+ 9
Income	25,799,165	16,575,344	+ 56
Employment	45,606	103,045	— 56
Withholding	55,315,200	56,225,611	— 2
Other	2,693,337	4,137,225	— 35

Industrial Production:

TEXAS: HEADQUARTERS FOR THE "MUD" INDUSTRY

By WALTER GRAY

The use of drilling fluid dates from antiquity. As early as the third century B.C. the Chinese were drilling brine wells by a method of "cable" drilling which involved alternately lifting and dropping a heavy tool that pounded its way through the substrata. Occasionally, it is recorded, they poured water into the "holes" of their wells to soften the earth and rock, which in turn facilitated both drilling and the removal of cuttings from the hole (a task accomplished by lowering a container into the well to remove the pulp).

The period from antiquity until 1901, when the epochal Spindletop gusher was being drilled near Beaumont, was one of considerable experimentation with but little actual change in drilling fluids. In the late 1800's "rotary" drilling replaced the ancient cable method, and soon thereafter a patent officially recognized that mud—a weighted material—could be used to advantage in rotary drilling. Mud had one paramount advantage over water: it "sheathed"—caked with mud—well bores and prevented water leaking into the formation being drilled. Nonetheless, water, not mud, was circulated through the flush systems of the earliest rotary rigs.

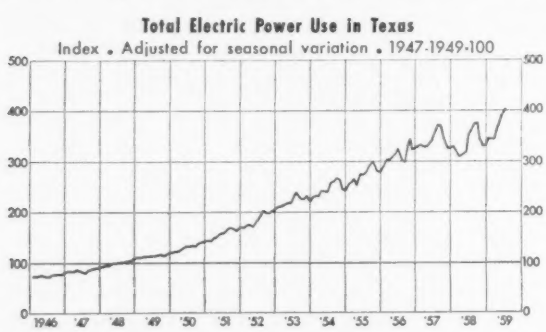
The value of mud as a drilling fluid was dramatically demonstrated when Spindletop was threatened by a quicksand cave-in. The story goes that when the threat occurred, one of the Hamill brothers engaged to drill the well quickly prepared a mixture of mud by herding cattle pastured nearby through a pit containing the well's water supply. The mud was then pumped into the hole, lining the bore and ending the threat. This is the occasion in the history of drilling fluid, it is said, when mud came into its own.

During the years following the Spindletop development, and until 1928, there was continued experimentation with mud, the purpose now being to produce mud designed to meet specific drilling conditions. But the experimentation was often haphazard and progress was slow. Finally, in 1928, when the nation's first mud manufacturing firm was established, drilling fluid emerged from the short period in its recent history when its development was dependent on "amateurish" experimentation—the modern science of drilling mud engineering had arrived.

Today Houston, where the main offices of the nation's largest mudmaking companies are located, is recognized as the worldwide headquarters for the multimillion-dollar drilling mud industry. A total of 20 plants listed in the *1959 Directory of Texas Manufacturers* operating in Texas are engaged directly in some phase of mudmaking (extracting or processing clays and minerals for use in drilling fluid, or producing chemical additives for them). Of the 20 plants, 14 of them belong to four major drilling fluid manufacturers which have headquarters in Houston. Baroid Division, National Lead Co., in addition to its Houston facility, has in Corpus Christi the only plant in Texas equipped to grade, crush, and process barite, a vital component of most drilling muds. Baroid also has a clay extraction plant in Muldoon (Fayette County) and a fourth plant in Texarkana.

Magnet Cove Barium Corp. (Magcobar) has plants in Houston, Brownsville, and Zavalla (Angelina County); Milwhite Mud Sales Co. has establishments in Houston, Carthage (Panola County), Flatonia (Fayette County), and Riverside (Walker County); and the plants of the fourth major mud manufacturer, Oil Base, Inc., are located in Houston, Alice, and Odessa.

Three other firms with single-plant operations in Texas are Fosforo, Inc., Brownsville; Courchesne, Inc., El Paso; and Economy Mud Products Co., Houston. In addition to



the mudmaking plants, there are four other firms in Houston producing drilling fluid additives. They are Drilling Fluids Corp., Arnold & Clark Chemical Co., Thompson Hayward Chemical Co., and Atlas Powder Co.

Drilling mud has come a long way since it actually was just muddy water used to line the bore of the well. The complex fluid that is drilling mud today is composed of scores of commercial clays, other minerals, chemicals, and a variety of additives, mixed together in such a way as allows mud to perform a great number of functions. Besides lining the bore of the well, drilling mud is expected to cut down friction in the hole (thus cooling and preserving the drill bit and pipe); to carry cuttings to the surface for removal; control whatever gas, oil, or water pressures that might be encountered deep in the hole, thereby preventing blowouts; and check corrosion—again reducing the over-all cost of drilling a well by preserving equipment. At the same time, mud characteristics must be such that good cores, cuttings, and electric logs can be obtained—permitting geologists and logging crews to secure all information necessary for evaluating the oil producing possibilities of the formation being drilled.

Based on the liquid content of the mixture, muds may be broadly classifid as (1) water-base (fresh water or salt water), (2) emulsion (water and oil), and (3) oil base. Besides these major categories of mud, a few muds of specialized nature, such as extreme pressure lubricating muds, shale control muds, and gypsum muds, must be included to complete the picture.

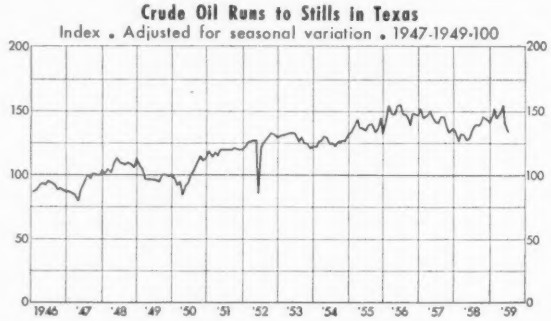
All types of muds consist of the following components: (1) liquids, (2) colloidal solids, (3) noncolloidal solids, and (4) dissolved chemicals. The major fraction of mud by volume is the liquid ingredient—water or oil. Usually the major component by weight in all mud is the suspended, noncolloidal solid, such as sand, or cuttings and weight materials. The colloidal solids—which determine the density of mud—are also the major factor in determining the performance of the properties of the drilling fluid.

Clays are the colloids used in greatest abundance in drilling fluid mixtures. The most widely used clay is bentonite, which is an invaluable ingredient of mud in that it swells when it comes into contact with water, sheathing the well bore. In 1958, it was reported that more than 500,000 tons of bentonite were used in drilling fluids in the United States and Canada. Bentonite, technically a montmorillonite clay, is found in Texas in good quantities in Fayette, Angelina, Jackson, Henderson, Walker, and Trinity counties.

Another colloidal ingredient of nearly all drilling muds —the most commonly-used mineral and generally the most essential to good mud performance deep in the hole—is barite. Barite, which is chemically barium sulphate, is a heavy rock which resembles marble in its native form. When ground, barite becomes claylike and makes a natural base for drilling muds. One vital property of barite is that it contains lesser amounts of colloidal material than clays, and therefore can be used to increase the density of the mud without making it so viscous that it might become unpumpable. The supply of barite in the United States is inadequate and the mudmakers have had to fill their quotas —running more than a million tons per year—outside the country. The chief sources of barite for the United States at present are Canada, Mexico, Nova Scotia, South America, and the Middle East.

Other ingredients of drilling muds, which may be added to make the finished product meet the different conditions found in drilling a well, include caustic soda, corn starch, redwood fiber, walnut hulls, lime, shredded cellophane, gypsum, barium carbonate, mica, and plastics.

The mineral ingredients of drilling mud are usually transported to the well site in dry, powdered form, packaged in paper bags. At the well, the mud materials are blended in the pits, which are either earthen or metal. When the mud is prepared and properly mixed, it is ready to be circulated through the flush system of the well. First it is picked up by pumps and forced through a rubber or steel hose and into the drill pipe. Under high pressure it is pumped down the drill pipe to the bottom of the hole, where it is forced out through "eyes" in the drill bit.


Crude Oil Runs to Stills in Texas
Index • Adjusted for seasonal variation • 1947-1949-100
200
150
100
50
0
1946 '47 '48 '49 '50 '51 '52 '53 '54 '55 '56 '57 '58 '59

It next moves upward through the space between the drill pipe and the well bore, carrying cuttings with it to the surface. The mud then dumps out into a settling trough where the cuttings are either allowed to settle, or are removed by "screening" as the mud returns to the main pit to be recirculated. From time to time, of course, the mud must be analyzed and treated if necessary in order to insure that it does not lost its quality.

A relatively recent development in oil well drilling is "air" drilling, sometimes spoken of as the "mudless revolution" in the oil well drilling industry. It is claimed that

the new technique, utilizing air—forced by compressors into the hole at a pressure of 100 to 200 pounds per square inch—for the same purposes mud serves, speeds up the drilling process by increasing the rate of drill penetration. The increased drilling speed reduces the labor and equipment costs of drilling a well and, in combination with the financial saving realized by the elimination of mud from the drilling process, it is estimated that eventually air drilling can cut by 30% the cost of drilling a well.

Despite certain comparative advantages of air drilling over mud drilling, one weakness of the former is that water, in large quantities, makes air drilling impossible. This naturally prohibits utilization of the new system in some instances—notably, in off-shore wells. And, since few wells are naturally dry throughout, the widespread adaptation of air drilling was predicated on the perfection of a practical means of sealing off water-bearing formations. Experimentation with gases in reaction with other chemicals or minerals (ammonia and alum; silicon tetraflouride and water) produced an acceptable water sealant and paved the way for the expanded use of the air drilling system.

However, depending on the situation, it is still often economically advantageous to be able to switch to mud drilling when water is encountered, and barring radical discoveries in the near future, mud will remain an indispensable factor in oil well drilling. Quite likely, use of the two methods interchangeably—drilling with air until a prescribed depth is reached or until unanticipated difficulties arise and then switching to mud to complete the drilling—will become a more widespread practice. One certainty which insures that mud will be on hand at nearly all drillings in the foreseeable future is that mud drilling is as yet the safest method of combatting deep well pressures—and mud will be needed to minimize the possibility of blowouts.

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES

Classification	Number of reporting stores	Credit ratios*		Collection ratios**	
		July 1959	July 1958	July 1959	July 1958
ALL STORES	59	66.0	65.1	37.8	38.8
BY CITIES					
Austin	5	63.9	63.7	50.4	50.8
Cleburne	3	38.4	36.1	45.4	43.1
Dallas	5	69.4	69.2	39.8	40.2
El Paso	3	53.4	56.7	28.6	29.4
Fort Worth	3	68.2	67.3	31.7	33.8
Galveston	4	63.0	59.0	45.6	47.3
Houston	3	74.8	72.1	43.8	44.2
San Antonio	4	72.4	60.3	40.0	43.5
Waco	4	56.9	58.5	44.7	42.7
BY TYPE OF STORE					
Department stores (over $1 million)	19	66.6	66.7	36.8	37.5
Department stores (under $1 million)	17	42.4	44.9	39.1	39.8
Dry goods and apparel stores	5	72.9	73.9	56.0	55.4
Women's specialty shops	12	67.0	60.4	39.4	41.0
Men's clothing stores	6	70.3	69.9	43.0	45.8
BY VOLUME OF NET SALES					
Over $1,500,000	22	67.5	66.3	37.5	38.5
$500,000 to $1,500,000	13	55.8	56.8	42.5	43.4
$250,000 to $500,000	12	47.2	51.4	40.8	41.1
Less than $250,000	12	51.2	50.6	39.9	38.0

* Credit sales divided by net sales.

** Collections during the month divided by accounts unpaid on the first of the month.

Retail Trade:

ADJUSTED JULY SALES AT RECORD HIGH

By TINA PIEDRAHITA

Dollar sales. The July estimate of total retail sales in Texas ($1,157.6 million) fell 2% below June 1959 but topped July 1958 by 6%. January-July 1959 sales ($7,657.8 million) were 7% above those for January-July 1958.

The June-to-July decline in total retail sales can be attributed to a 7% drop shown in durable goods sales. However, July 1959 sales by durable goods stores were 18% ahead of July 1958, and January-July 1959 sales showed the same increase over January-July 1958. Non-

ESTIMATES OF TOTAL RETAIL SALES
(Unadjusted for seasonal variation)

Type of store	July 1959	Jan-July 1959	Percent change: July '59 from June '59	Percent change: July '59 from July '58	Percent change: Jan-July '59 from Jan-July '58
	Millions of dollars				
Total	1,157.6	7,657.8	— 2	+ 6	+ 7
Durable goods*	332.2	2,231.4	— 7	+ 18	+ 18
Nondurable goods	825.4	5,426.4	+ 1	+ 2	+ 3

* Contains automotive stores, furniture stores, and lumber, building material and hardware stores.

durable goods sales ($825.4 million) were 1% above June 1959 and 2% ahead of July 1958. For January-July 1959 nondurable goods sales were estimated at $5,426.4 million, up 3% from the same period a year earlier.

July indexes. Adjusted for seasonal variation the preliminary index of total retail sales (1947–49=100) set another new record in July of 229, eight points above the revised June index and 37 points above the average month for 1958. The durable goods index (181) fell four points below the June index but was 21 points above the average month for 1958. The nondurable goods index (254) was 14 points above June 1959 and 46 points above the average month for 1958.

Sales by store types. Except for farm implement dealers (+47%) and lumber, building material, and hardware stores (+1%), durable goods stores showed sales declines from June 1959. Automotive stores reported an 8% sales decline, while the normal seasonal drop was expected to stand at 4%. Furniture and household appliance stores fell 4% below the preceding month (compared with a 2% normal seasonal gain). The 1% increase for lumber, building materials, and hardware stores was a considerable improvement over the normal 3% seasonal decline.

In the July-to-July comparison all durable goods stores reported improvements in sales. Best gains were made by farm implement dealers (+61%) and motor vehicle dealers (+22%). Sales for January-July 1959 showed considerable over-all improvements over the same period a year earlier. Motor vehicle dealers (+21%), farm implement dealers (+13%), and lumber and building materials dealers (+12%) were the leaders.

RETAIL SALES TRENDS BY KINDS OF BUSINESS

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Kind of business	Number of reporting establishments	Percent change: Normal seasonal* July '59 from June '59	Normal seasonal* July '59 from June '59	Actual July '59 from July '58	Actual Jan-July '59 from Jan-July '58
DURABLE GOODS					
Automotive stores	315	— 4	— 8	+ 21	+ 20
Furniture & household appliance stores	162	+ 2	— 4	+ 7	+ 11
Lumber, building material, and hardware stores	292	— 3	+ 1	+ 10	+ 12
NONDURABLE GOODS					
Apparel stores	223	— 2	+ 2	+ 9	+ 7
Drug stores	130	+ 1	**	+ 4	+ 5
Eating and drinking places	98	+ 2	— 3	— 2	+ 3
Food stores	302	+ 2	+ 6	— 1	— 1
Gasoline and service stations	129	+ 1	— 2	— 3	+ 3
General merchandise stores	214	— 1	— 2	+ 4	+ 5
Other retail stores	274	— 6	— 5	+ 15	+ 10

* Average seasonal change from preceding month to current month.
** Change is less than half of one percent.

Among nondurable goods stores sales declines from June 1959 ranged from —17% reported by jewelry stores to —1% reported by shoe stores. For the same period best sales gains were reported by groceries without meats (+9%), liquor stores (+7%), groceries with meats (+6%), and men's and boys' clothing stores and women's ready-to-wear stores (each —4%). The 2% increase in sales of apparel stores marked a considerable improvement over the normal seasonal decline of —2%. Food stores were up 6% from the preceding month while the normal seasonal increase was 2%. Not all nondurable store categories, however, compared favorably with the normal seasonal change. Eating and drinking places slipped 3% from the preceding month while the normal seasonal change showed a 2% increase; general merchandise stores fell 2% below June 1959 (compared with the 1% normal seasonal decline).

Sales declines from July 1958 were reported by eating and drinking places (—2%) and food stores (—1%) while substantial increases were made by office, store, and school supply dealers (+21%), unclassified apparel stores (+18%), family clothing stores (+15%), and florists (+11%). For January-July 1959, sales declines from the same period a year earlier were reported by country general stores (—3%) and groceries with meats (—2%). For the same period best increases were reported by unclassified apparel stores (+17%); office, store, and school supply dealers (+12%); jewelry stores and liquor stores (each +9%); family clothing stores (+8%); and shoe stores, women's ready-to-wear stores, department stores, and florists (each +6%).

Volume of department and apparel stores. July sales of Texas department and apparel stores were 2% ahead of June 1959, were 7% above July 1958, and bettered January-July 1958 by 6%.

Sales in 16 of the 33 reporting cities bettered June 1959, while two cities (Houston and Port Arthur) remained unchanged. Highest increases were reported by San Angelo (+26%), Plainview (+25%), Abilene (+24%), Bryan (+21%), Brownwood and Lubbock (each +20%), and Waco (+17%).

Of the 24 cities reporting increases over July 1958, best showings were made by Brownwood (24%), Lubbock (+23%), Cleburne (+18%), Edna (+16%), Houston (+15%), and Sherman (+13%). In the cumulative comparison 26 cities bettered January-July 1958. Leaders were Lubbock (+23%), Amarillo and Killeen (each +17%), San Angelo (+14%), Plainview (+12%), and Houston (+9%).

Sales by Texas cities. Of the 28 cities reporting enough retailers to permit total retail sales listings, 11 cities were ahead of June 1959, 24 topped July 1958, and 27 cities bettered January- July 1958.

With a normal seasonal drop of 2% in total retail sales, sales better than the normal seasonal showing were re-

POSTAL RECEIPTS

City	June 27–July 24 1959	May 30–June 26 1959	June 28–July 25 1958	Percent change: July 24–June 24 1959 from May 30–June 26 1959	July 24–June 24 1959 from June 28–July 25 1958
Alice	$16,122	$16,343	$11,419	— 1	+ 41
Alpine	4,531	4,845	3,601	— 6	+ 26
Bay City	11,294	12,644	7,942	— 11	+ 42
Borger	15,240	15,413	12,379	— 1	+ 23
Brownfield	8,420	9,168	5,601	— 8	+ 50
Cameron	5,613	5,561	6,140	+ 1	— 9
Childress	4,787	4,907	3,262	— 2	+ 47
Cisco	4,557	3,479	2,741	+ 31	+ 66
Cleburne	12,558	12,588	9,312	**	+ 35
Coleman	5,794	6,190	4,139	— 6	+ 40
Crystal City	2,674	4,042	2,627	— 34	+ 2
Cuero	4,523	5,393	3,934	— 16	+ 15
Denison	16,152	19,827	11,487	— 19	+ 41
Eagle Pass	6,077	6,659	4,691	— 9	+ 30
El Campo	8,629	10,752	8,202	— 20	+ 5
Gainesville	12,469	14,729	10,461	— 15	+ 19
Gatesville	4,976	3,716	4,052	+ 34	+ 23
Giddings	4,053	2,988	1,991	+ 36	+104
Goldthwaite	2,265	2,031	1,439	+ 12	+ 57
Graham	7,708	9,667	6,615	— 20	+ 17
Granbury	3,397	3,056	2,176	+ 11	+ 56
Hale Center	2,109	1,948	1,355	+ 8	+ 56
Hillsboro	5,454	5,302	4,894	+ 3	+ 11
Huntsville	8,591	8,930	8,027	— 4	+ 7
Jacksonville	16,991	14,747	15,589	+ 15	+ 9
Kenedy	3,650	3,117	2,566	+ 17	+ 42
Kermit	6,343	9,147	4,770	— 31	+ 33
Kerrville	11,373	11,808	10,043	— 4	+ 13
Kingsville	12,025	14,423	9,085	— 17	+ 32
Kirbyville	2,829	2,627	1,433	+ 8	+ 97
La Grange	3,678	4,936	2,806	— 25	+ 31
Levelland	7,690	7,951	5,409	— 3	+ 42
Littlefield	4,831	5,545	4,960	— 13	— 3
Lockhart	3,987	4,205	.....	— 5	.....
McCamey	3,633	3,423	2,678	+ 6	+ 36
Marlin	6,411	6,178	4,807	+ 4	+ 33
Mission	8,751	8,816	6,871	— 1	+ 27
Navasota	4,381	4,979	3,360	— 12	+ 30
Pecos	12,536	14,812	10,767	— 15	+ 16
Pharr	5,209	5,920	4,335	— 12	+ 20
Pittsburg	3,010	3,117	1,959	— 3	+ 54
Raymondville	7,513	6,473	5,419	+ 16	+ 39
Sinton	5,363	6,390	5,451	— 16	.....
Snyder	10,666	12,799	.....	— 17	.....
Taft	3,588	2,891	3,003	+ 24	+ 19
Terrell	5,622	4,776	5,127	+ 18	+ 10
Waxahachie	9,330	11,279	8,318	— 17	+ 12
Weatherford	9,522	8,702	.....	+ 9	.....
Yoakum	9,487	8,634	7,333	+ 10	+ 29

** Change is less than one-half of one percent.

ported by Plainview (+6%), Brownwood (+5%), and Brownsville (+3%). Leaders in the July-to-July comparison were Abilene (+30%), Greenville and Waco (each +26%), Lubbock (+25%), Big Spring and Paris (each +24%), Bryan (+21%), Texarkana (+19%), Amarillo and Henderson (each +14%), Brownsville (+12%), Austin and Plainview (each +11%), and Wichita Falls (+10%).

Among the 27 cities reporting increases over January-July 1958, leaders were Plainview (+41%), Brownsville (+30%), Lubbock (+29%), Texarkana (+26%), Amarillo (+22%), Abilene and Greenville (each +23%), Big Spring (+19%), Paris (+16%), Waco (+15%), Austin (+13%), Wichita Falls (+12%), Bryan and Dallas (each +10%), and Corpus Christi and Fort Worth (each +8%). For the same period Port Arthur was the only city reporting a sales decline (—3%).

Credit and collection ratios. The ratio of credit sales to total net sales in 59 Texas department and apparel stores (66.0%) fell 1.2 points from June 1959 but was 0.9 points above July 1958. Highest credit sales were made by Houston (74.8%), San Antonio (72.4%), Dallas (69.4%), and Fort Worth (68.2%). By type of store, leaders were dry goods and apparel stores (72.9%) and men's clothing stores (70.3%).

The ratio of collections during the month of July to accounts unpaid at the first of the month was 37.8%, or 0.2 points above June 1959 but 1.0 points below July 1958. Highest collection ratios were reported by Austin (60.4%), Galveston (45.6%), Cleburne (45.4%), and Waco (44.7%). By type of store, dry goods and apparel stores (56.0%) and men's clothing stores (43.0%) were the leaders. Improvements over July 1958 collections were made by Cleburne and Waco.

The ratio of charge account sales to total net sales in 15 Texas department and apparel stores (51.5%) fell 1.7 points below June 1959 and 2.2 points from July 1958. The ratio of instalment sales to total net sales (14.1%) bettered June 1959 by 1.7 points and July 1958 by 1.5 points. Collections on charge account sales (42.5%) were 1.2 points above July 1958; collections on instalment sales (17.6%) fell 0.9 points from collections in July 1958.

Secondary trade indicators. Advertising linage in 28 Texas newspapers fell 1% below June 1959 but was 13% ahead of July 1958. Twelve newspapers bettered June 1959, and 21 were ahead of July 1958.

Of 114 Texas cities reporting postal receipts for the June 27-July 24, 1959, period, 29 were ahead of May 30-June 25, 1959, and 109 bettered June 28-July 25, 1958.

ESTIMATES OF NONAGRICULTURAL EMPLOYMENT
Source: Texas Employment Commission in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Industry	Employment (thous) July* 1959	Employment (thous) June[r] 1959	Employment (thous) July 1958	Percent change July 1959 from June 1959	Percent change July 1959 from July 1958
TOTAL NONAGRICULTURAL EMPLOYMENT	2,447.5	2,450.4	2,399.5	**	+ 2
MANUFACTURING	486.3	489.1	474.0	— 1	+ 3
Durable goods	235.4	235.2	223.4	**	+ 5
Ordnance and accessories	1.9	1.8	1.5	+ 6	+ 27
Lumber and wood products except furniture	21.0	20.7	19.4	+ 1	+ 8
Furniture and fixtures	11.7	11.4	10.6	+ 3	+ 10
Stone, clay, and glass products	24.4	24.0	22.6	+ 2	+ 8
Primary metal industries	24.1	24.2	21.4	**	+ 13
Fabricated metal products	28.5	28.7	28.3	— 1	+ 1
Machinery (except electrical)	40.5	40.4	36.9	**	+ 10
Electrical machinery and equipment	14.7	14.7	11.3	**	+ 30
Transportation equipment	59.1	59.6	62.5	— 1	— 5
Other durable goods	9.5	9.7	8.9	— 2	+ 7
Nondurable goods	250.9	253.9	250.6	— 1	**
Food and kindred products	77.2	79.1	78.1	— 2	— 1
Textile mill products	7.0	7.1	6.9	— 1	+ 1
Apparel and other finished textile products	33.8	33.5	32.3	+ 1	+ 5
Paper and allied products	9.1	9.3	9.1	— 2	**
Printing, publishing, and allied products	28.0	28.1	27.6	**	+ 1
Chemical and allied products	42.6	42.1	41.3	+ 1	+ 3
Petroleum and related industries	43.1	44.9	46.6	— 4	— 8
Leather and leather products	3.9	3.8	3.7	+ 3	+ 5
Other nondurable goods	6.2	6.0	5.1	+ 3	+ 22
NONMANUFACTURING	1,961.2	1,961.3	1,925.5	**	+ 2
Mining	126.8	126.7	125.8	**	+ 1
Crude petroleum and natural gas production	119.7	119.7	118.8	**	+ 1
Other mining and quarrying	7.1	7.0	7.0	+ 1	+ 1
Contract construction	180.5	177.5	165.3	+ 2	+ 9
Transportation and public utilities	226.0	224.6	225.7	+ 1	**
Interstate railroads	44.1	44.1	44.1	**	**
Other transportation	100.3	99.1	100.0	+ 1	**
Communication	38.8	38.6	39.1	+ 1	— 1
Public utilities	42.8	42.8	42.5	**	+ 1
Government	404.4	411.9	400.2	— 2	+ 1
Wholesale and retail trade	619.4	617.3	610.5	**	+ 1
Wholesale trade	169.2	168.4	167.4	**	+ 1
Retail trade	450.2	448.9	443.1	**	+ 2
Building material and hardware	39.2	39.1	37.0	**	+ 6
General merchandise	76.4	76.3	76.9	**	— 1
Food stores	72.2	72.1	70.3	**	+ 3
Automotive and service stations	78.1	77.6	78.8	+ 1	— 1
Apparel stores	28.2	28.6	28.5	— 1	— 1
Other retail trade	156.1	155.2	151.6	+ 1	+ 3
Finance, insurance, and real estate	116.8	116.4	114.5	**	+ 2
Banking	30.5	30.2	29.2	+ 1	+ 4
Insurance carriers, agents, brokers, and services	49.7	49.4	49.1	+ 1	+ 1
Other finance, insurance and real estate	36.6	36.8	36.2	— 1	+ 1
Service and miscellaneous	287.3	286.9	283.5	**	+ 1
Hotels and lodging places	27.9	28.1	27.5	— 1	+ 1
Laundries, and cleaners	27.9	28.1	27.5	— 1	**
Other services and miscellaneous	223.5	222.7	220.0	**	+ 2

* Preliminary. ** Change is less than one-half of one percent.
[r] Revised.

Agriculture:

TEXAS RANKS THIRD IN LETTUCE PRODUCTION

By WALTER GRAY

Texas ranks third (behind California and Arizona) among the more than 20 lettuce producing states in the nation. The two Texas crops, early fall and winter, supply lettuce for the market eight months out of the year, with the heaviest volume moving in January, February, and March. During the period 1949–57, when lettuce production was generally heavy in South Texas and expanding in West Texas, Texas growers harvested an average of 7% of the annual lettuce acreage harvested in the United States and accounted for about 4% of the nation's total lettuce production (with Texas production averaging 144,600,000 pounds annually). For the same period, annual dollar value of Texas lettuce crops averaged approximately $6 million, or about 5% of the average annual value of the nation's lettuce crop.

However, agricultural statistics reflect only what has happened and, unfortunately, guarantee nothing as to the present or future. Thus, as agricultural production depends especially on a number of variables—weather, particularly—which do not take their cues from the record books, agricultural reports offer no potent solutions to the problems growers encounter from year to year. And, indeed, such records offer little comfort to growers in those years when they must stand helplessly aside while one of the most important and least controllable variables raises hob with their crops—and the records. Such a year was 1958.

CARLOAD SHIPMENTS OF FRUIT AND VEGETABLES

Source: Compiled from reports received from Agricultural Marketing Service, U.S. Department of Agriculture

Commodity	January 1–July 31		
	1959	1958	Percent change
TOTAL SHIPMENTS	18,770	24,928	— 25
VEGETABLES	16,596	21,335	— 22
Beets	35	59	— 41
Broccoli	31	46	— 33
Cabbage	1,645	2,762	— 40
Carrots	1,998	5,202	— 62
Cauliflower	118	361	— 67
Corn	300	295	+ 2
Cucumbers	21	19	+ 11
Lettuce	161	328	— 51
Onions	3,901	4,013	— 3
Peppers	311	118	+164
Potatoes	897	448	+100
Radishes	0	1	—100
Spinach	1,156	1,318	— 12
Tomatoes	3,190	2,787	+ 14
Mixed vegetables	2,832	3,578	— 21
FRUIT	2,074	3,479	— 40
Canteloupes	361	1,181	— 69
Grapefruit	242	238	+ 2
Honeydews	313	604	— 48
Lemons	0	15	—100
Oranges	54	72	— 25
Strawberries	2	5	— 60
Watermelons	906	1,175	— 23
Mixed citrus	164	184	— 11
Mixed melons	23	1	+2200
Plums & prunes	9	4	+125
ALL OTHERS	100	114	— 12

CARLOAD SHIPMENTS OF LIVESTOCK*

Source: Bureau of Business Research in cooperation with Agricultural Marketing Service, U. S. Department of Agriculture

Classification	July 1959	June 1959	July 1958	Percent change: July '59 from June '59	Percent change: July '59 from July '58
TOTAL	1,775	3,429	2,353	— 48	— 25
Cattle	1,386	2,883	1,657	— 52	— 16
Calves	252	183	340	+ 38	— 26
Sheep	137	363	356	— 62	— 62
INTERSTATE	1,531	3,076	2,134	— 50	— 28
Cattle	1,210	2,561	1,479	— 53	— 18
Calves	190	153	304	+ 24	— 37
Sheep	131	362	351	— 64	— 63
INTRASTATE	244	353	219	— 31	+ 11
Cattle	176	322	178	— 45	— 1
Calves	62	30	36	+107	+ 72
Sheep	6	1	5	+500	+ 20

* Rail-car basis: Cattle, 30 head per car; calves, 60; hogs, 80, and sheep, 250.

Last year heavy rains, which began early in September and continued almost throughout the winter, delayed planting of the winter lettuce crop, damaged the crop extensively after the growers managed to get it planted, and intermittently interfered with field work during the harvesting season. The winter crop (which normally accounts for about 77% of the state's total lettuce production) was smaller than it had been in a decade. Total production for the early fall and winter crops combined (which fell 33% below the 1949–57 average) was lower in Texas last year than it has been since 1949. And, finally, dollar value of the 1958 crop in Texas dropped 28% below the 1949–57 average.

Texas' winter lettuce crop is grown in four areas of South Texas: (1) the Lower Rio Grande Valley (Cameron, Hidalgo, Starr, and Willacy counties); (2) the Winter Garden area (Dimmit, Uvalde, and Zavala counties); (3) the Laredo area (Webb and Zapata counties); and (4) the Eagle Pass area (Maverick County). Planting of the crop usually begins in mid-September in some of the early production areas of South Texas and continues into December and early January in the Winter Garden area, which is a late producing area. Harvesting usually begins about mid-November, with the heaviest supplies of lettuce moving from the fields late in December and through January, February, and March. In the Winter Garden area harvesting continues through April.

Last year, as noted, planting was delayed by wet weather. Although the 12,000 acres of lettuce planted in the winter crop areas equalled the 1949–57 average, only 10,000 of those acres were harvested (which was 15% below average). But the most far-reaching result of the frequent rains during the 1958 winter lettuce season was the damage caused to even the harvested crops, which resulted in poor yields of low-quality lettuce.

The average yield per acre of winter lettuce acreage harvested in 1958 was 60 cwt., 38% below the 1949–57 average. Total production was in turn lowered, and the 60,000,000 pounds of lettuce produced in 1958 was 46% below the 111,800,000 pound average for the winter crop area. About the only encouraging note for the South Texas growers last year was that their lettuce brought an average of $4.25 per cwt., which was one cent above the $4.24 average. Dollar value of sales for the 1958 winter crop was

Finance:

CONSUMER FINANCE COMPANIES IN TEXAS

By DONALD A. TYREE*

A cardinal characteristic of consumer finance companies is their rapid development. From the infant industry of the early 1920's, the business of lending cash to consumers has become a multi-billion-dollar-a-year enterprise. During the eight-year period ending December 31, 1958, instalment debt held by consumer finance companies in the United States increased from $1.3 billion to $3.4 billion, a rise of more than 260%.

Forty years ago, a consumer would have had great difficulty in obtaining a cash loan at an equitable rate of interest. The establishment and growth of consumer finance companies have provided a credit institution, the "small-loan office," which specializes in servicing the finance needs of consumers at reasonable costs of borrowing. Although several other financial institutions extend consumer instalment loans, their clientele is restricted to borrowers with substantial ratings or loan collateral (banks and savings institutions), to the membership of a particular group (credit unions), or to those with available personal property to pledge as loan security (pawnbrokers). The growth of the consumer finance industry is thus based upon the principle of making possible the acquisition of cash by consumers who, in many instances, might be denied by other credit sources.

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A consumer finance company may be defined as a privately owned and profit motivated enterprise specializing in the extension of cash instalment loans to consumers. In forty-one of the fifty states, a small-loan statute provides rules and regulations concerning activities of consumer finance companies (also known as small-loan and personal-finance companies). In less than twenty states, industrial loan companies conduct a business similar to that of consumer finance companies, but use a different loan plan as prescribed by their controlling statutes—industrial loan laws. Texas has no small-loan act, but does have an industrial loan law (Article 1523a-1) which was passed in 1951. This statute authorizes the only practical and truly legitimate means of operating a small-loan office in Texas. Lenders operating in accordance with the state's industrial loan law are commonly referred to as "certificate lenders."

Numerous small-loan offices employing some lending device other than the "certificate plan" of the industrial loan law are often called "unregulated lenders." These lenders are continually subjected to anti-usury injunctions for violations of the general usury law of Texas. Activities of the unregulated lender are excluded from the following discussion.

The legitimate certificate plan involves two simultaneous transactions: (1) selling an investment certificate, and (2) making a loan. Periodic repayments by the borrower are credited against the price of the certificate rather than being used to reduce the loan balance. Consequently, the original loan remains outstanding until the certificate is fully paid and used to cancel the borrower's note. Thus the 10% interest rate authorized by the industrial loan act produces an effective rate of approximately 22% per year —a cost of borrowing below all rates permitted by small-loan statutes. (A similar loan plan, the "Morris Plan," was used by industrial loan banks in Texas from 1917 to 1939.)

Official statistics concerning the consumer finance industry in Texas are not available, for no state agency has authority to require reports from all lenders. However, a study recently conducted on a statewide basis revealed important characteristics of the institution, product, and market of the industry within Texas.

Lender Characteristics: The major service functions performed by the certificate lender are involved in the following steps of extending consumer-loan credit: (1) a preliminary interview, (2) the making of a loan application, (3) an analysis of the application and personal finance counseling, (4) the investigation of an applicant's credit status and loan security, (5) final approval or refusal, (6) an advance of loan proceeds, (7) the setting up and posting of records, (8) the collection of periodic repayments, and (9) the termination of the loan contract. Broad activities of management and supervision, handling of delinquent accounts, general accounting and account servicing, advertising, and a multitude of procedural duties are constantly being performed in the daily operations of a consumer finance firm.

In addition to the lending of cash to consumers, some large certificate lenders may extend credit by (1) purchasing instalment-sales contracts used by consumers to pay for durable goods ("time-sales financing"); (2) discounting notes of consumers given to sellers of consumer services (for payment of doctor and dentist bills, or for insurance policy premiums, etc.); (3) lending money to auto dealers or other retail merchants who pledge their in-

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$2,550,000, or 44% below the $4,589,000 average for the period 1949–57.

The early fall Texas lettuce crop is grown principally in six heavily irrigated counties of the Panhandle (Bailey, Castro, Deaf Smith, Floyd, Hale, and Parmer). The early fall crop is planted in the latter part of June and during July. Harvesting in the Panhandle begins in mid-September, with the heaviest supplies moving from the area later in September and throughout October. The early fall harvest usually ends when killing freezes destroy the crop in the first part of November.

During the period 1949–57, West Texas growers harvested an average of about 3,700 acres of lettuce annually. During the same period, yield per acre for the area, which is usually much higher than in South Texas, averaged 99 cwt., and production averaged 35,000,000 pounds (about 23% of the state's annual total of lettuce production). Selling on an average at $4.62 per cwt., lettuce from the Panhandle had an average dollar value of $1,575,000 during the 1949–57 period.

Last year West Texas growers harvested only 2,400 acres of lettuce (34% below average). However, a yield per acre of 125 cwt. (20% above average) brought the total production figure for the area to 37,500,000 pounds of lettuce (or 7% above average). Although prices paid for West Texas lettuce were down 3% (from an average of $4.62 to $4.50), increased production boosted the total dollar value of the 1958 West Texas crop to $1,688,000 (about 8% over the 1949–57 average of $1,575,000).

ventories as security ("floor plan" or "wholesale financing"); and (4) factoring accounts receivable of business firms (business loans secured by debts owed the borrower).

The size of the individual certificate lender, in terms of offices, varies from one to thirty. In 1957, thirteen companies operated 138 offices in Texas for an average of ten to eleven per company. One of the largest lenders in the state made more than $14.2 million of loans during 1957 and at the close of the year held $20.4 million of loans receivable. In the same year, fifteen companies granted an aggregate volume of $93.7 million in loans for an average of $6.2 million per company.

During 1957, ninety-two loan offices made an average of 1,274 loans per office—an average of 106 per month. At the end of 1957, a "typical" office held 1,079 loans receivable. A dollar volume of $607,920 per office was obtained in 1957 for a monthly average of $50,990 per office. Year-end (1957) loan receivables totaled $481,761 per office.

Loan Characteristics: In 1957, the average size of 197,181 selected loans totaling $81.6 million was $465. Approximately two-thirds of these loans were made for less than $500. Less than 6% of the loans were granted for $100 or less.

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS IN THE DALLAS FEDERAL RESERVE DISTRICT

Source: Board of Governors of the Federal Reserve System

Account	Percent change* July 1959 from June 1959	July 1959 from July 1958	July 1958 from June 1958
TOTAL ASSETS	**	+ 2	— 2
Loans and investments, less loans to banks and valuation reserves	+ 1	+ 4	**
Loans, less loans to banks and valuation reserves	+ 1	+ 11	+ 1
Commercial, industrial, and agricultural loans†	+ 1	+ 14	**
Loans for purchasing or carrying securities	+ 7	+ 5	**
Real estate loans	— 4	+ 1	+ 1
Other loans	— 1	+ 11	+ 2
Total U. S. Government securities	**	— 9	— 2
Treasury bills	+ 44	— 39	— 20
Treasury certificates of indebtedness	— 19	— 22	— 3
Treasury notes and bonds	**	— 6	**
Other securities	**	+ 8	+ 3
Loans to banks	+325	+ 89	— 31
Reserves with Federal Reserve banks	+ 2	— 5	— 1
Cash in vaults	+ 11	+ 2	+ 6
Balances with domestic banks	— 13	— 16	— 16
Other net assets	+ 2	+ 5	— 4
TOTAL LIABILITIES	**	+ 1	— 2
Total adjusted deposits	+ 2	+ 3	— 1
Demand deposits	+ 3	+ 4	+ 3
Time deposits	— 2	— 2	+ 1
U. S. Government deposits	+ 15	+ 36	— 56
Total interbank deposits	— 11	— 16	— 7
Domestic banks	— 11	— 16	— 7
Foreign banks	+ 6	**	+ 13
Borrowings	+ 29	+1130	+ 25
Other liabilities	**	— 8	— 6
CAPITAL ACCOUNTS	+ 1	+ 9	+ 1

*Percentage changes are based on the week nearest the end of the month.

**Change is less than one-half of one percent.

†Includes loans to non-bank financial institutions.

The average length of loan contracts made in 1957 by fifteen companies was approximately sixteen months. Over two-thirds of 15,243 notes held by one company were made for a period of seven to eighteen months. Loan amounts correlated directly with the length of loan contracts, increasing in size as maturities lengthened and vice versa.

The chief type of loan security pledged—household items (furniture and kitchen equipment)—was used in 1957 for approximately one-half of 113,702 loan transactions. Unsecured loans ranked second and loans secured by automobiles were third. Large loans were generally secured by household and/or automobile chattels. Unsecured notes accounted for much smaller sums.

Seasonal variances in the consumer lending business are quite profound. During the years of 1955–6–7–8, November and December accounted for the largest monthly volumes—January and February experienced the least monthly volumes. A springtime surge in lending operations began in April and usually continued until August.

Borrower Characteristics: Although reasons given by borrowers for obtaining credit may not indicate the true purpose for which loan proceeds are intended, such reasons partially reveal why consumers borrow. Approximately 60% of the customers of one selected certificate lender desired borrowed funds to refinance, consolidate or pay pre-existing debts. Home repairs and automobile, medical and traveling expenses are also considered as major causes requiring consumers to borrow.

One large lender reported that one-third of its 1957 loan volume was made by skilled or semi-skilled workers. Laborers received one out of every ten loans from the company and government workers accounted for more than one-fifth of the company's customers. Professional and technical people, teachers and managers obtained about the same number of loans as did laborers, but the former obtained much larger cash advances than did the latter.

In 1957, the average income of borrowers from eight selected companies was $327. More than 40% of the clientele of one large lender earned in excess of $400 per month. Few borrowers (6%) earned less than $200 per month.

In 1957, approximately one-half of borrowers who obtained almost 70,000 loans for a total of $27.3 million were present customers of lenders, one-third were new customers and the remaining one-sixth were former customers.

In summary, the typical borrower from certificate lenders in Texas is a skilled or semi-skilled worker earning between $301 and $400 per month at an age ranging from 21 to 35 years. He is refinancing one or more debts by borrowing from a lender who has previously provided him with credit.

Legal Aspects: Throughout the past four decades, state legislation has done much to affect the course and performance of the consumer finance industry. In the early part of 1959, the Texas legislature passed a resolution (H. J. R. No. 6) which deserves mention. This resolution would allow the legislature to classify and regulate lenders, and to set interest rate maxima on various types of loans. If this resolution is publicly ratified in late 1961 to alter the present constitutional usury law, the legislature may enact equitable consumer finance legislation necessary for the continued growth of an industry servicing the finance needs of Texans.

Building Construction:

JULY SETS NEW PERMIT RECORD

By ROBERT H. DRENNER

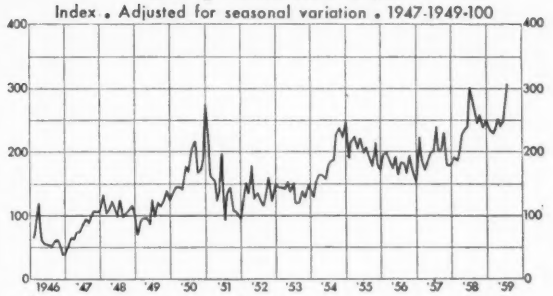
An estimated $131,831,000 in urban building construction was authorized in Texas in July. This amount, which represents a new monthly permit record, was 16% greater than in the preceding June and 3% above authorizations in July 1958, the previous high. For the January-July period, building authorized totaled $779,494,000, up 11% from the first seven months of 1958.

The new monthly record comes as something of a surprise. In the first place, there is usually an approximate 8% decline from June to July in Texas building authorizations (and thus the seasonally adjusted building index rose 24%, or 59 points, to 308 in July from 249 in June). In the second place, Texas building construction is dominated—as elsewhere—by the residential category, and it has been widely felt that residential building would be adversely affected by rising mortgage money rates. A moderate decline in residential construction in the second half of 1959 consequently seemed highly probable, and though gains in the nonresidential sector were generally anticipated, it was felt that these would little more than offset a slowing of residential building.

The July record was, of course, a showing for a single month, and a month's authorizations in a state as large as Texas is still a figure small enough to show considerable nonsignificant variation. For example, a single building permit issued in July to the First National Bank of Fort Worth for a new office building and parking garage accounted for 6% of the value of all building permits issued in the state during the month. During a year a fairly large number of such projects will be undertaken, but authorizations for them occur sporadically, and it is not feasible to attempt to adjust monthly permit figures to eliminate the considerable effect they may have. But it is necessary, in interpreting monthly data, to observe the announcement of unusually large projects and to discount them appropriately. The necessity is much more obvious, of course,

Building Construction in Texas*

Index • Adjusted for seasonal variation • 1947-1949-100



*Value of building construction authorized.

in interpreting monthly building data for a single city; in August Fort Worth will very likely show something like a 60% fall from July in total permits issued (and a much larger drop in nonresidentially permits) but this will hardly signify that there is any real decline in Fort Worth building.

It is also to be noted that the record monthly permit figure in July occurred when there were strong rises in all three major building categories. There is a possibility that a coincidence of variations in one direction pushed the over-all permit total to its record monthly level.

However, despite the probability that the strong rise in July authorizations does not signify a resurgence of the Texas building boom, it does offer some evidence that building in the state is remaining at near-boom proportions; permits are holding up much better than most observers had expected. These conclusions would still appear to be in order even if August permits, when tabulated, were to show a fairly sharp decline from the July total.

RESIDENTIAL

New urban (housekeeping) residences with a total value of $64,361,000 were authorized in Texas in July, a gain of 4% from the preceding month. The seasonally adjusted residential index, however, rose 11%, or 30 points—

BUILDING AUTHORIZED IN TEXAS
20 SELECT CITIES

	Residential			Residential			Nonresidential			Nonresidential		
	July 1959	July 1958	% Change	Jan-July 1959	Jan-July 1958	% Change	July 1959	July 1958	% Change	Jan-July 1959	Jan-July 1958	% Change
Abilene	$ 1,573,049	1,517,699	+ 4	$12,325,372	$ 7,540,547	+ 63	$2,088,325	$ 458,610	+355	$ 5,819,923	$ 2,998,294	+ 94
Amarillo	1,352,690	1,754,566	— 23	12,613,385	10,697,086	+ 18	1,150,360	226,700	+407	8,867,625	3,739,245	+124
Austin	2,094,300	1,688,350	+ 24	19,395,600	13,206,600	+ 47	1,180,644	2,503,209	— 53	10,735,846	13,703,679	— 22
Beaumont	824,174	1,687,869	— 51	4,776,422	5,550,991	— 14	2,457,911	861,850	+185	6,001,491	2,944,733	+104
Corpus Christi	823,500	1,137,845	— 28	5,873,513	7,568,795	— 22	3,953,970	1,912,000	+107	8,880,955	6,166,066	+ 44
Dallas	8,880,182	7,426,813	+ 20	55,065,548	45,568,928	+ 21	2,934,974	16,011,716	— 82	31,977,351	33,431,303	— 4
El Paso	2,874,500	5,111,050	— 44	23,577,258	25,379,013	— 7	2,374,211	510,280	+365	8,802,370	7,453,736	+ 18
Fort Worth	2,340,925	2,576,740	— 9	19,007,219	14,437,208	+ 32	9,115,788	1,808,064	+404	15,380,835	12,555,710	+ 23
Garland	1,004,469	1,069,000	— 6	7,250,963	5,599,121	+ 30	60,850	126,066	— 52	1,508,356	1,284,360	+ 17
Houston	11,030,629	13,555,929	— 19	82,294,007	84,844,536	— 3	6,141,241	3,369,410	+ 82	29,400,688	29,670,741	— 1
Irving	1,178,728	798,106	+ 48	6,102,896	5,502,698	+ 11	225,717	135,604	+ 66	4,078,017	2,058,146	+ 98
Longview	610,000	657,200	— 7	4,656,700	5,067,500	— 8	51,600	460,835	— 89	604,817	2,406,690	— 75
Lubbock	4,682,900	1,840,250	+154	22,421,569	14,741,181	+ 52	1,472,450	1,961,475	— 25	12,937,153	7,749,782	+ 67
Odessa	1,701,800	999,050	+ 70	10,544,100	12,460,055	— 15	4,221,055	270,137	+1463	7,161,848	3,461,296	+107
Pasadena	1,083,000	1,625,750	— 33	6,808,249	7,241,350	— 6	332,600	138,350	+140	2,231,719	3,134,725	— 29
Port Arthur	114,200	114,384	**	1,326,497	1,492,967	— 11	149,159	170,447	— 12	2,337,930	4,549,577	— 49
San Antonio	3,942,398	3,060,071	+ 29	23,570,565	20,860,124	+ 13	1,475,972	1,447,403	+ 2	9,641,992	9,760,861	— 1
Tyler	707,600	569,000	+ 24	4,631,350	4,032,075	+ 15	274,739	601,550	— 38	2,002,104	2,047,400	— 2
Waco	527,975	3,013,840	— 82	4,784,075	6,485,354	— 26	547,540	83,055	+559	4,802,753	1,471,242	+226
Wichita Falls	548,303	471,800	+ 16	5,264,097	2,705,518	+ 95	326,445	190,100	+ 72	3,591,256	830,326	+333

** Change is less than one-half of one percent.

ESTIMATED VALUE OF BUILDING AUTHORIZED

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Classification	July 1959	January-July 1959	January-July 1958	Percent change 1959 from 1958
	Thousands of Dollars			
CONSTRUCTION CLASS				
ALL PERMITS	131,831	779,494	701,187	+ 11
New construction	115,165	700,850	627,533	+ 12
Residential (housekeeping)	64,361	457,464	403,096	+ 13
One-family dwellings	60,271	428,000	367,889	+ 16
Multiple-family dwellings	4,090	29,464	35,207	— 16
Nonresidential buildings	50,804	243,386	224,437	+ 8
Nonhousekeeping buildings (residential)	2,338	12,973	7,680	+ 69
Amusement buildings	662	7,836	5,842	+ 34
Churches	2,530	20,412	21,713	— 6
Factories and workshops	3,477	22,258	14,771	+ 51
Garages (commercial and private)	467	2,871	2,938	— 2
Service stations	830	5,322	5,931	— 10
Institutional buildings	6,019	13,882	10,771	+ 29
Office-bank buildings*	14,025	38,514	41,214	— 7
Works and utilities	853	9,016	11,342	— 21
Educational buildings	6,304	42,463	51,344	— 17
Stores and mercantile buildings	10,789	57,178	43,173	+ 32
Other buildings and structures‡	2,510	10,661	7,718	+ 38
Additions, alterations and repairs§	16,666	78,645	73,654	+ 7
METROPOLITAN vs. NON-METROPOLITAN†				
Total metropolitan	98,418	578,917	525,527	+ 10
Central cities	87,008	494,312	446,991	+ 11
Outside central cities	11,410	84,605	78,536	+ 8
Total nonmetropolitan	33,413	200,577	175,660	+ 14
10,000 to 50,000 population	24,490	142,547	130,347	+ 9
Less than 10,000 population	8,924	58,031	45,313	+ 28

*Includes public (nonfederal) administration buildings beginning July 1957.

‡Includes government (nonfederal) service buildings beginning July 1957.

§Includes additions and alterations to public buildings beginning July 1957.

†As defined in 1950 census.

from 268 to 298. On the other hand, the July 1959 figure was 11% under the comparable month last year—a comparative showing which, it was suggested here last month, may well be characteristic on the average of residential building for the rest of the year. For the first seven months, residential authorizations were 13% above January-July 1958; the six-month comparison showed an 18% improvement.

A factor to be considered in assessing the significance of the June-to-July improvement in permits issued for new residences is the influence of the new housing bill signed into law last June 30. Its most important provisions were the raising of the allowable interest rate on VA-guaranteed home loans and an increased authorization for the VA direct home loan program. That both anticipated passage of the bill and actual passage did give some stimulation to prospective homebuilding is suggested by the unusually large number of requests nationwide for VA appraisals of proposed homes in both June and July. However, the interest rate change was only up to the level of prevailing rates on FHA home loans (5¼%), and there are widespread reports that home loans at less than 6% are becoming difficult to obtain. It is consequently difficult to see how the new law can give much long-term encouragement to homebuilding, particularly when interest rates are still rising and builders are finding it increasingly difficult in the face of rising costs to absorb discounts on FHA and VA mortgages. Nor is much new support expected from the other federal housing bill expected to be signed by the President. Apart from public housing and urban renewal provisions, the bill makes relatively few changes in the existing FHA loan regulations. Down payment minimums on that portion of the cost of a house above $13,500 are slightly liberalized and the maximum amount of mortgage insurable by the FHA is raised from $20,000 to $22,500, but neither of these provisions is expected to have much effect on the level of home construction.

However, in spite of the absence of those economic factors that are widely regarded as necessary to support a high level of homebuilding, Texans nevertheless are obviously building and buying new homes at a near-record pace. The explanation would seem to lie in the rapid population growth and urbanization of the state, a high level of personal income, a willingness to spend savings for large downpayments, and a relative disregard for high mortgage rates. In short, housing demand remains strong.

NONRESIDENTIAL

New residential building construction authorized in the state in July had an estimated total value of $50,804,000, or 44% of all new building authorized. The dollar total was up 29% from June and 22% above July 1958. The July figure was also second only to December 1950, when nonresidential building with a total value of $52,215,000 was authorized.

New nonresidential permits issued in Texas in July usually show a decline of about 11% from June. As a result of the actual 29% gain between the two months this year, the seasonally adjusted nonresidential index leaped a remarkable 94 points from 233 to 327 (for all the Bureau's monthly building indexes, 1947–49=100). Four subcategories of nonresidential building accounted for most of the rise: permits for nonhousekeeping residential buildings (mostly hotels and tourist courts) rose 117% from June, new factory permits gained 64%, hospital and other institutional building authorizations were up 309%, and permits for office-bank buildings showed a 233% gain (the latter category chiefly because of the above-noted Fort Worth project). Showings of other classifications include amusement buildings (theaters and bowling alleys, chiefly), —62%; churches, —49%; utilities, —75%; schools, —6%; and stores and mercantile buildings, —1%.

As a result of the strong July gain, the cumulative improvement of the general nonresidential category rose again. For the first half of the year the gain from 1958 was 6%; in the seven-month comparison the figure was 8%. Cumulative showings of individual nonresidential building classifications were, as usual, extremely varied: nonresidential housekeeping buildings, +69%; amusement buildings, +34%; churches, —6%, factories, +51%; service stations, —10%; institutional buildings, +29%; office-bank buildings, —7%; utilities, —21%; schools, —17%; and stores and mercantile buildings, +32%.

Each fall *Texas Contractor* magazine publishes an estimate of total construction in Texas (both building and nonbuilding) during the coming calendar year. The estimate for 1960, with a detailed breakdown and discussion of projected spending in the major construction classifications, appears in the magazine's September 1 issue. *Texas Contractor's* summary of its estimate (with figures from the 1959 summary for the sake of comparison) follows:

1960 APPROVED TEXAS CONSTRUCTION

FEDERAL AND FEDERAL PARTICIPATING:	1959	1960
Flood Control, Rivers, Harbors, Dams	$ 24,470,000	$ 35,750,000
Army, Navy, Air Force	72,339,000	18,499,500
CAA Airports	3,573,463	3,093,777
Federal Highway Aid	203,400,000	135,100,000
REA Electric and Telephone	25,100,000	35,500,000
Veterans Administration Hospitals	624,100	4,919,000
Community Facilities	12,005,432	9,522,000
Federal School Assistance	3,654,954	5,500,000
Hospitals and Medical Facilities	10,000,000	22,855,562
Public Housing	12,000,000	9,500,000
Industrial Construction	5,613,700	12,193,000
TOTAL	$ 372,780,549	$ 297,132,839
CITIES:		
Schools, Colleges	$ 48,175,000	$ 93,850,000
Streets, Bridges	41,082,000	68,997,000
Waterworks, Sewers	53,890,000	65,335,000
Dwellings, Apartments	252,713,000	333,818,590
Commercial, Industrial Buildings	301,229,000	230,280,000
City Buildings	28,190,000	21,875,000
TOTAL	$ 725,279,000	$ 814,155,590
STATE:		
Highway Construction—State Funds	$ 145,230,000	$ 128,100,000
State Highway Maintenance	42,665,920	46,949,000
State Building Program	60,000,000	35,344,729
Dams and Water Systems	150,000,000	200,000,000
TOTAL	$ 397,895,920	$ 410,393,729
COUNTIES:		
Roads—County Funds	$ 19,000,000	$ 17,000,000
County Road Maintenance	32,525,000	23,500,000
County Machinery Purchases	9,750,000	8,500,000
County Building and Miscellaneous Construction	15,530,264	17,357,000
TOTAL	$ 76,805,264	$ 66,357,000
GRAND TOTAL		
Projected Construction	$1,572,760,733	$1,588,039,158

Texas Contractor's estimate covers what it calls "1960 approved construction." Much of this construction, in other words, already has funds definitely committed for it; this is particularly the case for projects supported by government funds, especially federal funds. The magazine points out that several of the major items in its estimate are necessarily subject to possible major revisions. This is most obviously the case with the entry for federally supported highway construction; whether Congress will find a source for money sufficient to keep the program on schedule is still in question. Major changes will almost certainly be made also in expenditures for such large items as dams, flood control, and defense installations.

HOURS AND EARNINGS IN TEXAS†

Source: Texas Employment Commission in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor.

Industry	Average weekly earnings			Average weekly hours			Average hourly earnings		
	July* 1959	June 1959	July 1958	July* 1959	June 1959	July 1958	July* 1959	June 1959	July 1958
MANUFACTURING TOTAL	$ 90.49	$ 90.30	$ 85.89	41.7	42.0	40.9	$2.15	$2.17	$2.10
Durable goods	90.73	92.23	84.67	42.2	43.1	41.1	2.15	2.14	2.06
Primary metals	104.12	104.74	96.87	40.2	41.4	39.7	2.59	2.53	2.44
Machinery (except electrical)	107.70	102.58	84.59	45.2	46.0	39.9	2.25	2.23	2.12
Oil field machinery	116.85	121.02	86.81	47.5	49.6	37.1	2.46	2.44	2.34
Transportation equipment	109.08	108.00	102.70	40.4	40.3	39.5	2.70	2.68	2.60
Fabricated metal products	89.68	91.80	85.27	42.5	43.3	41.8	2.11	2.12	2.04
Lumber and wood products	59.47	62.30	59.90	45.4	47.2	46.8	1.31	1.32	1.28
Furniture and fixtures	66.49	67.94	64.27	41.3	42.2	41.2	1.61	1.61	1.56
Stone, clay and glass	72.04	76.21	70.30	41.4	43.3	41.6	1.74	1.76	1.69
Nondurable goods	90.01	88.75	86.48	41.1	40.9	40.6	2.10	2.17	2.13
Textile mill products	59.48	59.87	55.06	43.1	43.7	41.4	1.38	1.37	1.33
Broad woven goods	59.89	59.16	55.06	43.4	43.5	41.4	1.38	1.36	1.33
Apparel and fabric products	48.50	47.74	46.75	38.8	38.5	37.7	1.25	1.24	1.24
Food	77.70	76.08	74.82	42.0	42.5	41.8	1.85	1.79	1.79
Meat packing	96.19	92.46	86.24	39.1	40.2	38.5	2.46	2.30	2.24
Paper and allied products	99.82	100.25	96.79	43.4	43.4	43.6	2.30	2.31	2.22
Printing	93.45	95.59	92.87	38.3	38.7	37.6	2.44	2.47	2.47
Chemical and allied products	121.93	120.06	114.81	41.9	41.4	41.3	2.91	2.90	2.78
Petroleum and coal products	124.01	119.20	115.59	41.2	40.0	40.7	3.01	2.98	2.84
Leather	55.21	55.62	51.17	40.3	40.6	41.6	1.37	1.37	1.23
NONMANUFACTURING									
Mining	109.55	106.82	107.88	43.3	42.9	43.5	2.53	2.49	2.48
Crude petroleum	110.51	108.46	109.62	43.0	42.7	43.5	2.57	2.54	2.52
Sulphur	114.44	110.88	104.54	39.6	38.5	39.3	2.89	2.88	2.66
Public utilities	87.02	85.75	83.35	40.1	39.7	39.5	2.17	2.16	2.11
Retail trade	63.15	63.44	49.18	42.1	43.0	31.1	1.50	1.48	1.44
Wholesale trade	95.26	94.38	90.94	43.3	42.9	42.1	2.20	2.20	2.16

† Figures cover only production workers in manufacturing and mining industries, and only nonsupervisory employees in other industry divisions. Earnings averages include premium pay for overtime, holidays, and for late-shift work.

* Preliminary subject to revision upon receipt of additional reports.

Figures do not cover proprietors, firm members, other principal executives, or unpaid household workers.

Local Business

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
ABILENE (pop. 62,500r)			
Retail sales	— 2†	**	+ 30
Apparel stores	— 2†	— 5	— 2
General merchandise stores	— 1†	+ 28	+ 6
Lumber, building material, and hardware stores	— 3†	— 7	+ 41
Postal receipts* $	95,424	— 5	+ 38
Building permits, less federal contracts $	3,708,574	+ 15	+ 81
Bank debits (thousands) $	102,370	+ 3	+ 21
End-of-month deposits (thousands) ‡ $	63,556	— 3	+ 7
Annual rate of deposit turnover	19.1	+ 4	+ 12
Employment (area)	33,300	+ 1	+ 10
Manufacturing employment (area)	3,530	**	+ 11
Percent unemployed (area)	4.4	**	— 35
AMARILLO (pop. 147,949r)			
Retail sales	— 2†	— 2	+ 14
Apparel stores	— 2†	+ 15	+ 7
Automotive stores	— 4†	— 8	+ 19
Drug stores	+ 1†	+ 1	— 1
Eating and drinking places	+ 2†	+ 11	+ 18
Food stores	+ 2†	+ 4	— 7
Furniture and household appliance stores	+ 2†	+ 9	+ 4
Gasoline and service stations	+ 1†	— 3	+ 12
Liquor stores	.....	+ 10	+ 12
Lumber, building material, and hardware stores	— 3†	— 7	+ 13
Postal receipts* $	162,740	— 7	+ 28
Building permits, less federal contracts $	2,699,406	— 19	+ 23
Bank debits (thousands) $	239,545	+ 7	+ 26
End-of-month deposits (thousands) ‡ $	118,102	— 4	+ 1
Annual rate of deposit turnover	23.8	+ 5	+ 21
Employment (area)	52,300	+ 1	+ 5
Manufacturing employment (area)	6,080	+ 1	+ 9
Percent unemployed (area)	3.1	— 9	— 39
ARLINGTON (pop. 45,340r)			
Postal receipts* $	32,650	+ 1	+ 67
Building permits, less federal contracts $	1,204,508	+ 17	— 38
Employment (area)	204,900	**	+ 3
Manufacturing employment (area)	55,725	.....	.....
Percent unemployed (area)	4.5	— 4	— 36
AUSTIN (pop. 197,000r)			
Retail sales	— 2†	— 1	+ 11
Apparel stores	— 2†	+ 8	+ 8
Automotive stores	— 4†	— 5	+ 20
Drug stores	+ 1†	+ 1	+ 2
Eating and drinking places	+ 2†	— 12	— 3
Food stores	+ 2†	+ 9	— 8
Furniture and household appliance stores	+ 2†	— 9	+ 11
Gasoline and service stations	+ 1†	+ 3	+ 4
General merchandise stores	— 1†	— 8	+ 3
Lumber, building material, and hardware stores	— 3†	+ 6	+ 24
Postal receipts* $	276,030	— 16	+ 5
Building permits, less federal contracts $	3,871,096	— 39	— 17
Bank debits (thousands) $	211,324	+ 7	+ 17
End-of-month deposits (thousands) ‡ $	160,394	+ 3	+ 26
Annual rate of deposit turnover	16.1	+ 5	— 4
Employment (area)	72,300	— 1	+ 4
Manufacturing employment (area)	5,840	+ 2	+ 5
Percent unemployed (area)	3.9	+ 8	— 13

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
BAYTOWN (pop. 28,945r)			
Postal receipts* $	20,960	— 13	+ 44
Building permits, less federal contracts $	179,719	— 54	— 58
Bank debits (thousands) $	22,548	— 2	+ 14
End-of-month deposits (thousands) ‡ $	23,171	— 3	+ 9
Annual rate of deposit turnover	11.5	**	+ 5
Employment (area)	485,100	**	+ 6
Manufacturing employment (area)	95,400	**	+ 3
Percent unemployed (area)	4.3	— 4	— 39
BEAUMONT (pop. 122,485r)			
Retail sales	— 2†	— 5	+ 7
Apparel stores	— 2†	+ 5	+ 2
Automotive stores	— 4†	— 5	+ 19
Eating and drinking places	+ 2†	— 10	— 19
Food stores	+ 2†	— 3	+ 1
Furniture and household appliance stores	+ 2†	+ 30	+ 21
General merchandise stores	— 1†	— 4	— 4
Lumber, building material, and hardware stores	— 8†	— 19	— 14
Postal receipts* $	101,681	— 7	+ 26
Building permits, less federal contracts $	3,413,425	+ 75	+ 25
Bank debits (thousands) $	163,368	+ 3	+ 13
End-of-month deposits (thousands) ‡ $	98,764	— 4	— 3
Annual rate of deposit turnover	19.4	+ 5	+ 18
Employment (area)	104,000	**	+ 2
Manufacturing employment (area)	33,250	**	— 1
Percent unemployed (area)	10.1	**	— 2
BEEVILLE (pop. 15,105r)			
Retail sales			
Automotive sales	— 4†	— 32	+ 29
Postal receipts* $	9,111	— 21	+ 27
Building permits, less federal contracts $	27,985	— 70	— 82
Bank debits (thousands) $	11,272	+ 14	+ 18
End-of-month deposits (thousands) ‡ $	13,916	+ 2	+ 10
Annual rate of deposit turnover	9.8	+ 11	+ 7
BIG SPRING (pop. 30,433r)			
Retail sales	— 2†	— 19	+ 24
Apparel stores	— 2†	— 26	— 7
Automotive stores	— 4†	— 34	+ 39
Drug stores	+ 1†	— 3	+ 7
Lumber, building material, and hardware stores	— 3†	+ 48	+ 19
Postal receipts* $	28,148	— 14	+ 27
Building permits, less federal contracts $	81,225	— 79	— 94
Bank debits (thousands) $	41,360	+ 1	+ 21
End-of-month deposits (thousands) ‡ $	27,478	**	— 2
Annual rate of deposit turnover	18.0	+ 2	+ 17
BRADY (pop. 5,944)			
Postal receipts* $	4,139	— 16	+ 31
Building permits, less federal contracts $	40,550	+ 95	+544
Bank debits (thousands) $	4,973	+ 10	— 15
End-of-month deposits (thousands) ‡ $	6,831	— 1	— 2
Annual rate of deposit turnover	8.7	+ 9	— 16
BRENHAM (pop. 6,941)			
Postal receipts* $	7,513	+ 7	+ 46
Building permits, less federal contracts $	44,825	— 87	— 22
Bank debits (thousands) $	7,927	+ 4	+ 14
End-of-month deposits (thousands) ‡ $	12,063	**	+ 1
Annual rate of deposit turnover	7.9	+ 4	+ 13

For explanation of symbols, see page 23.

Conditions

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
BROWNSVILLE (pop. 36,066)			
Retail sales	— 2†	+ 3	+ 12
Automotive stores	— 4†	— 1	+ 4
General merchandise stores	— 1†	+ 19	+ 16
Lumber, building material, and hardware stores	— 3†	— 18	+ 48
Postal receipts*	$ 26,338	— 13	+ 28
Building permits, less federal contracts	$ 207,418	— 19	— 80
BROWNWOOD (pop. 20,181)			
Retail sales	— 2†	+ 5	+ 16
Apparel stores	— 2†	+ 30	+ 27
Automotive stores	— 4†	+ 7	+ 21
Furniture and household appliance stores	+ 2†	— 13	— 4
Postal receipts*	$ 21,417	— 8	+ 25
Building permits, less federal contracts	$ 13,060	— 50	— 60
Bank debits (thousands)	$ 14,748	+ 8	+ 21
End-of-month deposits (thousands)‡	$ 12,681	— 4	— 4
Annual rate of deposit turnover	13.6	+ 9	+ 21
BRYAN (pop. 23,883[r])			
Retail sales	— 2†	+ 8	+ 21
Apparel stores	— 2†	+ 21	— 5
Food stores	+ 2†	+ 10	+ 4
Lumber, building material, and hardware stores	— 3†	+ 6	+ 15
Postal receipts*	$ 19,325	**	+ 25
Building permits, less federal contracts	$ 197,024	— 25	— 7
CORPUS CHRISTI (pop. 180,000[r])			
Retail sales	— 2†	+ 8	+ 8
Apparel stores	— 2†	+ 8	+ 1
Automotive stores	— 4†	+ 18	+ 31
Lumber, building material, and hardware stores	— 3†	+ 9	— 20
Postal receipts*	$ 159,201	+ 1	+ 14
Building permits, less federal contracts	$ 4,932,017	+276	+ 45
Bank debits (thousands)	$ 202,832	+ 9	+ 5
End-of-month deposits (thousands)‡	$ 113,091	**	+ 4
Annual rate of deposit turnover	21.6	+ 6	+ 2
Employment (area)	63,500	**	— 3
Manufacturing employment (area)	8,230	+ 1	**
Percent unemployed (area)	5.6	— 14	— 30
CORSICANA (pop. 25,262[r])			
Postal receipts*	$ 15,331	— 18	— 50
Building permits, less federal contracts	$ 193,100	+103	+271
Bank debits (thousands)	$ 15,847	— 1	+ 2
End-of-month deposits (thousands)‡	$ 20,527	+ 2	— 8
Annual rate of deposit turnover	9.4	— 1	+ 13
DENTON (pop. 29,479[r])			
Retail sales			
Drug stores	+ 1†	— 2	+ 6
Postal receipts*	$ 25,753	— 1	+ 44
Building permits, less federal contracts	$ 1,506,400	+344	+ 5
Bank debits (thousands)	$ 16,791	— 10	.....
End-of-month deposits (thousands)‡	$ 18,783	— 4	.....
Annual rate of deposit turnover	10.5	— 5	.....
EDINBURG (pop. 15,993[r])			
Postal receipts*	$ 9,003	— 15	+ 15
Building permits, less federal contracts	$ 133,201	+ 68	+ 47
Bank debits (thousands)	$ 13,593	— 1	+ 25
End-of-month deposits (thousands)‡	$ 7,423	+ 1	+ 4
Annual rate of deposit turnover	22.1	+ 6	+ 36
DALLAS (pop. 641,000[r])			
Retail sales	— 3†	— 5	+ 7
Apparel stores	— 8†	— 7	+ 3
Automotive stores	— 4†	— 7	+ 30
Eating and drinking places	+ 2†	— 3	+ 10
Florists	— 14†	— 11	+ 15
Food stores	+ 1†	— 1	— 3
Furniture and household appliance stores	— 2†	— 9	+ 3
Jewelry stores	.....	— 18	+ 7
Liquor stores	.....	+ 7	+ 31
Lumber, building material, and hardware stores	— 4†	— 8	— 3
Office, store, and school supply dealers	— 3†	— 5	+ 11
Postal receipts*	$ 1,873,546	— 5	+ 23
Building permits, less federal contracts	$17,421,716	+ 55	— 29
Bank debits (thousands)	$ 2,654,078	— 1	+ 18
End-of-month deposits (thousands)‡	$ 1,132,681	— 1	+ 8
Annual rate of deposit turnover	28.0	— 1	+ 9
Employment (area)	395,200	**	+ 3
Manufacturing employment (area)	85,150	**	— 4
Percent unemployed (area)	3.1	— 11	— 33
EL PASO (pop. 244,000[r])			
Retail sales	— 2†	— 14	**
Apparel stores	— 2†	— 23	— 21
Automotive stores	— 4†	— 21	— 6
Drug stores	+ 1†	+ 1	+ 10
Food stores	+ 2†	+ 2	+ 4
Furniture and household appliance stores	+ 2†	**	+ 6
General merchandise stores	— 1†	— 17	+ 3
Lumber, building material, and hardware stores	— 3†	— 6	+ 20
Postal receipts*	$ 237,811	— 8	+ 31
Building permits, less federal contracts	$ 5,868,578	+ 9	— 3
Bank debits (thousands)	$ 330,330	+ 1	+ 13
End-of-month deposits (thousands)‡	$ 163,929	+ 2	+ 9
Annual rate of deposit turnover	24.5	**	+ 5
Employment (area)	83,400	**	+ 3
Manufacturing employment (area)	13,550	**	+ 2
Percent unemployed (area)	4.1	— 9	— 11
FORT WORTH (pop. 373,000[r])			
Retail sales	— 3†	+ 1	+ 8
Apparel stores	+ 1†	+ 19	+ 4
Automotive stores	— 3†	— 3	+ 25
Drug stores	**†	— 32	— 1
Eating and drinking places	+ 3†	+ 2	— 4
Food stores	+ 5†	+ 9	— 2
Furniture and household appliance stores	— 4†	— 10	— 1
Gasoline and service stations	— 2†	— 1	— 3
General merchandise stores	— 4†	+ 4	+ 9
Jewelry stores	.....	+ 3	+ 3
Lumber, building material, and hardware stores	— 1†	— 1	**
Postal receipts*	$ 612,715	— 5	+ 19
Building permits, less federal contracts	$12,028,419	+123	+ 85
Bank debits (thousands)	$ 839,624	+ 1	+ 14
End-of-month deposits (thousands)‡	$ 368,156	— 3	**
Annual rate of deposit turnover	27.0	+ 2	+ 13
Employment (area)	204,900	**	+ 3
Manufacturing employment (area)	55,725	.....	.....
Percent unemployed (area)	4.5	— 4	— 36

For explanation of symbols, see page 23.

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
GALVESTON (pop. 71,590[r])			
Retail sales	— 2†	— 3	+ 4
Apparel stores	— 2†	+ 5	— 7
Automotive stores	— 4†	— 10	+ 34
Food stores	+ 2†	— 1	— 2
Postal receipts*	$ 74,758	— 14	+ 2
Building permits, less federal contracts	$ 202,711	— 41	— 27
Bank debits (thousands)	$ 92,293	+ 5	**
End-of-month deposits (thousands)‡	$ 62,747	— 4	— 8
Annual rate of deposit turnover	17.3	+ 7	+ 6
Employment (area)	49,050	— 2	+ 1
Manufacturing employment (area)	9,980	— 9	— 10
Percent unemployed (area)	7.4	+ 1	— 5
GARLAND (pop. 28,151[r])			
Postal receipts*	$ 23,123	— 9	+ 12
Building permits, less federal contracts	$ 1,094,642	— 28	— 11
Bank debits (thousands)	$ 21,610	+ 12	+ 17
End-of-month deposits (thousands)‡	$ 16,583	+ 34	+ 47
Annual rate of deposit turnover	17.9	— 13	— 11
Employment (area)	395,200	**	+ 3
Manufacturing employment (area)	85,150	**	— 4
Percent unemployed (area)	3.1	— 11	— 33
GLADEWATER (pop. 6,281[r])			
Postal receipts*	$ 6,141	+ 16	+ 65
Building permits, less federal contracts	$ 64,750	+ 50	+335
Bank debits (thousands)	$ 4,149	+ 8	+ 16
End-of-month deposits (thousands)‡	$ 4,403	— 2	— 3
Annual rate of deposit turnover	11.2	+ 9	+ 18
Employment (area)	27,900	+ 1	+ 4
Manufacturing employment (area)	4,990	**	+ 14
Percent unemployed (area)	4.0	— 11	— 30
GRAND PRAIRIE (pop. 14,594)			
Postal receipts*	$ 18,110	— 7	+ 12
Building permits, less federal contracts	$ 327,785	+ 56	— 7
Employment (area)	395,200	**	+ 3
Manufacturing employment (area)	85,150	**	— 4
Percent unemployed (area)	3.1	— 11	— 33
GREENVILLE (pop. 20,034[r])			
Retail sales	— 2†	— 2	+ 26
Apparel stores	— 2†	+ 12	— 20
Drug stores	+ 1†	**	+ 8
Food stores	+ 2†	**	— 13
Lumber, building material, and hardware stores	— 3†	+ 13	+ 23
Postal receipts*	$ 16,804	— 6	+ 15
Building permits, less federal contracts	$ 96,185	— 64	+ 7
Bank debits (thousands)	$ 16,915	**	+ 9
End-of-month deposits (thousands)‡	$ 16,468	**	+ 9
Annual rate of deposit turnover	12.3	— 1	+ 1
HARLINGEN (pop. 31,799[r])			
Retail sales			
Automotive stores	— 4†	— 24	+ 7
Postal receipts*	$ 30,732	— 13	+ 20
Building permits, less federal contracts	$ 780,055	+260	+ 47
Bank debits (thousands)	$ 51,072	+ 27	+ 15
End-of-month deposits (thousands)‡	$ 29,589	+ 13	+ 7
Annual rate of deposit turnover	22.0	+ 33	+ 8
HEREFORD (pop. 7,500[r])			
Postal receipts*	$ 9,597	+ 28	+ 51
Building permits, less federal contracts	$ 314,450	+402	+394
Bank debits (thousands)	$ 16,537	+ 48	+ 62
End-of-month deposits (thousands)‡	$ 10,579	+ 7	— 4
Annual rate of deposit turnover	19.4	+ 43	+ 66

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
HENDERSON (pop. 11,606)			
Retail sales	— 2†	+ 7	+ 14
Apparel stores	— 2†	— 7	+ 4
Automotive stores	— 4†	+ 18	+ 32
Drug stores	+ 1†	**	+ 12
Food stores	+ 2†	+ 7	— 1
Furniture and household appliance stores	+ 2†	**	— 5
General merchandise stores	— 1†	— 6	+ 7
Lumber, building material, and hardware stores	— 3†	— 11	— 2
Postal receipts*	$ 8,804	— 14	+ 19
Bank debits (thousands)	$ 6,683	— 7	— 5
End-of-month deposits (thousands)‡	$ 15,452	— 2	**
Annual rate of deposit turnover	5.1	— 7	— 7
HOUSTON (pop. 700,508[u])			
Retail sales¶	— 3†	— 4	+ 6
Apparel stores¶	+ 1†	+ 5	+ 24
Automotive stores¶	— 3†	— 11	+ 20
Drug stores¶	**†	+ 1	+ 8
Eating and drink places¶	— 3†	**	+ 4
Food stores¶	**†	+ 2	+ 1
Furniture and household appliance stores¶	+ 1†	— 6	— 6
Gasoline and service stations¶	— 5†	— 3	— 7
General merchandise stores¶	— 1†	— 10	— 5
Lumber, building material, and hardware stores¶	**†	+ 2	— 4
Other retail stores¶	— 8†	— 7	+ 16
Postal receipts*	$ 1,385,045	— 3	+ 32
Building permits, less federal contracts	$20,136,669	+ 13	— 3
Bank debits (thousands)	$ 2,594,436	— 1	+ 13
End-of-month deposits (thousands)‡	$ 1,250,964	**	+ 4
Annual rate of deposit turnover	24.8	— 2	+ 7
Employment (area)	485,100	**	+ 6
Manufacturing employment (area)	95,400	**	+ 3
Percent unemployed (area)	4.3	— 4	— 39
IRVING (pop. 40,065[r])			
Postal receipts*	$ 15,632	— 15	+ 3
Building permits, less federal contracts	$ 1,443,023	+ 48	+ 50
Employment (area)	395,200	**	+ 3
Manufacturing employment (area)	85,150	**	— 4
Percent unemployed (area)	3.1	— 11	— 33
JASPER (pop. 4,403)			
Retail sales	— 2†	**	+ 2
Automotive stores	— 4†	— 9	+ 8
General merchandise stores	— 1†	+ 11	— 3
Postal receipts*	$ 6,291	— 20	+ 17
Bank debits (thousands)	$ 7,523	+ 2	+ 11
End-of-month deposits (thousands)‡	$ 8,335	+ 1	+ 22
Annual rate of deposit turnover	10.9	— 2	— 5
KILGORE (pop. 12,373[r])			
Postal receipts*	$ 15,279	+ 7	+ 38
Bank debits (thousands)	$ 16,541	+ 7	+ 7
End-of-month deposits (thousands)‡	$ 15,521	— 1	+ 5
Annual rate of deposit turnover	12.7	+ 6	.....
Employment (area)	27,900	+ 1	+ 4
Manufacturing employment (area)	4,990	**	+ 14
Percent unemployed (area)	4.0	— 11	— 30
LLANO (pop. 2,957[r])			
Postal receipts*	$ 2,659	— 13	+ 45
Building permits, less federal contracts	$ 7,000	.....	.....
Bank debits (thousands)	$ 3,267	+ 6	+ 9
End-of-month deposits (thousands)‡	$ 3,975	+ 4	+ 12
Annual rate of deposit turnover	10.1	+ 3	— 2

For explanation of symbols, see page 23.

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
KILLEEN (pop. 26,646[r])			
Retail sales			
Apparel stores	— 2†	— 22	— 15
General merchandise stores	— 1†	— 7	— 6
Postal receipts* $	25,981	+ 20	+ 30
Building permits, less federal contracts $	214,415	— 51	— 40
Bank debits (thousands) $	9,827	+ 6	+ 15
End-of-month deposits (thousands) ‡ $	7,104	+ 4	+ 7
Annual rate of deposit turnover	16.9	+ 2	+ 10
LAMESA (pop. 13,813[r])			
Retail sales			
Automotive stores	— 4†	+ 5	+ 31
Postal receipts* $	11,110	— 3	+ 44
Building permits, less federal contracts $	83,362	— 70	— 77
Bank debits (thousands) $	12,448	— 2	+ 16
End-of-month deposits (thousands) ‡ $	13,343	— 6	+ 6
Annual rate of deposit turnover	10.9	+ 4	+ 9
LAMPASAS (pop. 4,869)			
Postal receipts* $	3,706	— 19	+ 34
Building permits, less federal contracts $	113,700	+1438	+120
Bank debits (thousands) $	7,247	+ 16	+ 28
End-of-month deposits (thousands) ‡ $	7,174	**	+ 13
Annual rate of deposit turnover	12.1	+ 15	+ 13
LAREDO (pop. 59,350[r])			
Postal receipts* $	29,197	— 4	+ 12
Building permits, less federal contracts $	65,810	— 76	— 41
Bank debits (thousands) $	27,350	+ 1	+ 3
End-of-month deposits (thousands) ‡ $	22,169	— 2	+ 1
Annual rate of deposit turnover	14.6	+ 1	+ 1
LUBBOCK (pop. 152,776[r])			
Retail sales	— 2†	+ 6	+ 25
Lumber, building material, and hardware stores	— 3†	— 12	+ 30
Postal receipts* $	127,698	— 1	+ 41
Building permits, less federal contracts $	6,582,403	+ 22	+ 66
Bank debits (thousands) $	178,490	— 1	+ 21
End-of-month deposits (thousands) ‡ $	105,904	— 2	+ 4
Annual rate of deposit turnover	19.9	**	+ 14
Employment (area)	50,700	+ 1	+ 7
Manufacturing employment (area)	5,450	+ 2	+ 11
Percent unemployed (area)	4.0	— 7	— 23
LONGVIEW (pop. 52,164[r])			
Postal receipts* $	39,222	— 6	.....
Building permits, less federal contracts $	1,016,700	+ 72	— 12
Bank debits (thousands) $	42,919	+ 2	.....
End-of-month deposits (thousands) ‡ $	36,402	+ 1	.....
Annual rate of deposit turnover	14.2	+ 4	.....
Employment (area)	27,900	+ 1	+ 4
Manufacturing employment (area)	4,990	**	+ 14
Percent unemployed (area)	4.0	— 11	— 30
LUFKIN (pop. 20,846[r])			
Postal receipts* $	15,952	— 32	+ 10
Building permits, less federal contracts $	208,800	+ 27	+ 43
Bank debits (thousands) $	24,382	— 6	+ 12
End-of-month deposits (thousands) ‡ $	24,347	— 6	— 1
Annual rate of deposit turnover	11.6	— 6	+ 10
McALLEN (pop. 25,326[r])			
Retail sales			
Apparel stores	— 2†	— 21	**
Postal receipts* $	24,312	— 8	+ 38
Building permits, less federal contracts $	494,780	— 18	+ 34
Bank debits (thousands) $	28,881	— 2	+ 28
End-of-month deposits (thousands) ‡ $	21,649	— 2	+ 13
Annual rate of deposit turnover	15.8	— 6	+ 4

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
McKINNEY (pop. 16,653[r])			
Building permits, less federal contracts $	87,626	+ 32	+ 20
Bank debits (thousands) $	9,520	+ 2	+ 20
End-of-month deposits (thousands) ‡ $	9,225	— 26	— 26
Annual rate of deposit turnover	10.5	+ 14	+ 31
MARSHALL (pop. 25,479[r])			
Retail sales			
Apparel stores	— 2†	— 9	— 3
General merchandise stores	— 1†	— 3	— 2
Postal receipts* $	22,393	+ 5	+ 26
Building permits, less federal contracts $	230,919	+ 16	+ 89
Bank debits (thousands) $	18,194	+ 8	+ 15
End-of-month deposits (thousands) ‡ $	20,609	— 8	+ 3
Annual rate of deposit turnover	10.2	+ 10	+ 9
MIDLAND (pop. 54,288[r])			
Postal receipts $	80,317	— 11	+ 16
Building permits, less federal contracts $	2,417,100	— 43	+ 6
Bank debits (thousands) $	109,420	+ 14	+ 34
End-of-month deposits (thousands) ‡ $	92,429	+ 1	+ 11
Annual rate of deposit turnover	15.1	+ 18	+ 29
MONAHANS (pop. 10,183[r])			
Postal receipts* $	5,096	— 44	+ 11
Building permits, less federal contracts $	178,470	— 16	— 44
Bank debits (thousands) $	10,084	— 4	+ 7
End-of-month deposits (thousands) ‡ $	7,054	— 5	+ 1
Annual rate of deposit turnover	16.7	— 2	+ 3
NACOGDOCHES (pop. 14,770[r])			
Postal receipts* $	13,001	— 6	+ 13
Building permits, less federal contracts $	85,716	— 39	+ 28
Bank debits (thousands) $	14,866	— 3	+ 6
End-of-month deposits (thousands) ‡ $	14,985	+ 1	— 2
Annual rate of deposit turnover	11.9	— 6	+ 9
NEW BRAUNFELS (pop. 12,210)			
Retail sales			
Automotive stores	— 4†	+ 12	+ 35
Postal receipts* $	15,442	+ 8	+ 12
Building permits, less federal contracts $	219,495	+ 21	— 17
Bank debits (thousands) $	11,843	+ 22	+ 20
End-of-month deposits (thousands) ‡ $	11,188	— 1	+ 16
Annual rate of deposit turnover	12.6	+ 25	+ 5
ODESSA (pop. 87,521[r])			
Retail sales			
Furniture and household appliance stores	+ 2†	+ 7	— 9
Postal receipts* $	65,960	— 16	+ 48
Building permits, less federal contracts $	6,011,505	+178	+357
Bank debits (thousands) $	78,404	**	+ 29
End-of-month deposits (thousands) ‡ $	61,330	— 5	+ 17
Annual rate of deposit turnover	14.9	— 1	+ 8
No. Rigs Operating in Ector County	27	— 7	— 36
No. Rigs Operating in Permian Basin	362	— 7	+ 6
ORANGE (pop. 31,556[r])			
Retail sales			
Automotive stores	— 4†	— 21	— 15
Postal receipts* $	19,689	— 11	+ 25
Building permits, less federal contracts $	1,164,023	+ 82	+439
Bank debits (thousands) $	21,890	+ 2	+ 10
End-of-month deposits (thousands) ‡ $	19,651	**	— 2
Annual rate of deposit turnover	13.4	+ 22	+ 15
Employment (area)	104,000	**	+ 2
Manufacturing employment (area)	33,250	**	— 1
Percent unemployed (area)	10.1	**	— 2

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
PAMPA (pop. 26,720[r])			
Postal receipts* ..... $	21,566	— 9	+ 41
Building permits, less federal contracts $	403,515	— 21	— 3
Bank debits (thousands) ..... $	25,062	+ 9	+ 35
End-of-month deposits (thousands)‡ ... $	23,610	— 4	— 2
Annual rate of deposit turnover	12.5	.....	+ 34
PARIS (pop. 24,551[r])			
Retail sales	— 2†	— 7	+ 24
Apparel stores	— 2†	— 11	— 1
Lumber, building material, and hardware stores	— 3†	+ 5	— 15
Postal receipts* ..... $	16,032	— 14	+ 20
Building permits, less federal contracts $	151,060	+ 21	— 7
Bank debits (thousands) ..... $	16,453	+ 2	+ 14
End-of-month deposits (thousands)‡ ... $	12,782	**	+ 1
Annual rate of deposit turnover	15.4	+ 3	+ 12
PORT ARTHUR (pop. 82,150[u])			
Retail sales	— 2†	— 2	— 2
Apparel stores	— 2†	**	+ 3
Automotive stores	— 4†	— 5	+ 7
Food stores	+ 2†	+ 6	— 9
Furniture and household appliance stores	+ 2†	— 17	— 17
General merchandise stores	— 1†	**	+ 4
Lumber, building material, and hardware stores	— 3†	+ 9	— 13
Postal receipts* ..... $	46,311	— 12	.....
Building permits, less federal contracts $	414,168	— 78	+ 3
Bank debits (thousands) ..... $	68,180	+ 10	— 2
End-of-month deposits (thousands)‡ ... $	43,299	— 2	— 6
Annual rate of deposit turnover	18.7	+ 10	+ 4
Employment (area)	104,000	**	+ 2
Manufacturing employment (area)	33,250	**	— 1
Percent unemployed (area)	10.1	**	— 2
PALESTINE (pop. 15,063[r])			
Postal receipts* ..... $	11,090	— 4	+ 23
Bank debits (thousands) ..... $	9,094	— 6	+ 6
End-of-month deposits (thousands)‡ ... $	13,745	+ 1	+ 2
Annual rate of reposit turnover	8.0	— 7	+ 4
PASADENA (pop. 58,928[r])			
Postal receipts* ..... $	33,705	+ 10	+ 71
Building permits, less federal contracts $	1,461,850	+ 16	— 20
Employment (area)	485,100	**	+ 6
Manufacturing employment (area)	95,400	**	+ 3
Percent unemployed (area)	4.3	— 4	— 39
PLAINVIEW (pop. 21,106[r])			
Retail sales	— 2†	+ 9	+ 11
Apparel stores	— 2†	+ 35	+ 4
Automotive stores	— 4†	+ 5	+ 22
General merchandise stores	— 1†	+ 3	+ 27
Postal receipts* ..... $	15,839	— 27	+ 32
Building permits, less federal contracts $	242,300	— 75	+111
Bank debits (thousands) ..... $	26,761	+ 5	.....
End-of-month deposits (thousands)‡ ... $	22,500	— 5	.....
Annual rate of deposit turnover	13.9	+ 6	.....
SAN ANGELO (pop. 62,359[r])			
Postal receipts* ..... $	56,588	— 22	+ 23
Building permits, less federal contracts $	484,625	— 3	+ 64
Bank debits (thousands) ..... $	59,846	+ 7	+ 22
End-of-month deposits (thousands)‡ ... $	45,267	— 1	+ 6
Annual rate of deposit turnover	15.7	+ 8	+ 12
Employment (area)	23,050	**	+ 2
Manufacturing employment (area)	3,250	**	+ 5
Percent unemployed (area)	4.1	— 13	— 55
ROCKDALE (pop. 6,400[r])			
Postal receipts* ..... $	3,442	— 12	+ 17
Building permits, less federal contracts $	28,159	+398	+362
Bank debits (thousands) ..... $	3,623	+ 3	+ 7
End-of-month deposits (thousands)‡ ... $	5,396	+ 3	+ 35
Annual rate of deposit turnover	8.2	+ 4	— 20
SAN ANTONIO (pop. 555,000[r])			
Retail sales	— 3†	+ 1	+ 6
Apparel stores	— 2†	+ 1	+ 2
Automotive stores	— 4†	— 3	+ 20
Drug stores	+ 1†	+ 1	+ 1
Eating and drinking places	+ 5†	— 2	— 1
Florists	.....	— 1	+ 11
Food stores	+ 3†	+ 10	— 3
Furniture and household appliance stores	+ 1†	— 1	+ 17
Gasoline and service stations	**†	+ 3	+ 7
General merchandise stores	— 6†	— 9	— 5
Jewelry stores	.....	— 13	+ 9
Lumber, building material, and hardware stores	+ 3†	+ 10	+ 31
Postal receipts* ..... $	577,097	— 1	.....
Building permits, less federal contracts $	6,659,451	+ 30	+ 29
Bank debits (thousands) ..... $	648,983	+ 2	+ 15
End-of-month deposits (thousands)‡ ... $	394,733	— 1	+ 4
Annual rate of deposit turnover	19.7	+ 3	+ 10
Employment (area)	200,800	**	+ 2
Manufacturing employment (area)	25,375	+ 1	+ 5
Percent unemployed (area)	3.8	— 7	— 16
SAN MARCOS (pop. 14,300[r])			
Postal receipts* ..... $	9,647	+ 10	+ 20
Building permits, less federal contracts $	281,175‖	+247	+8286
Bank debits (thousands) ..... $	7,369	+ 6	+ 11
End-of-month deposits (thousands)‡ ... $	8,219	— 3	+ 2
Annual rate of deposit turnover	10.6	+ 13	— 15
SEGUIN (pop. 14,000[r])			
Postal receipts* ..... $	10,541	+ 13	.....
Building permits, less federal contracts $	44,203	— 83	— 18
Bank debits (thousands) ..... $	9,301	— 7	+ 11
End-of-month deposits (thousands)‡ ... $	13,757	+ 2	— 7
Annual rate of deposit turnover	8.2	— 8	+ 21
SHERMAN (pop. 31,269[r])			
Retail sales	— 2†	+ 1	— 1
Apparel stores	— 2†	— 6	— 1
Automotive stores	— 4†	+ 5	— 12
Furniture and household appliance stores	+ 2†	+ 2	+ 28
Lumber, building material, and hardware stores	— 3†	— 18	— 9
Postal receipts* ..... $	34,579	— 13	+ 3
Building permits, less federal contracts $	183,733	— 65	— 41
Bank debits (thousands) ..... $	24,947	— 4	**
End-of-month deposits (thousands)‡ ... $	18,691	**	+ 7
Annual rate of deposit turnover	16.0	— 8	.....
SMITHVILLE (pop. 3,376[r])			
Postal receipts* ..... $	1,748	.....	.....
Building permits, less federal contracts $	39,300	+814	— 50
Bank debits (thousands) ..... $	1,362	+ 17	+ 41
End-of-month deposits (thousands)‡ ... $	2,230	— 3	+ 3
Annual rate of deposit turnover	6.9	+ 17	+ 33
SULPHUR SPRINGS (pop. 9,890[r])			
Postal receipts* ..... $	8,207	— 2	+ 21
Building permits, less federal contracts $	105,300	.....	+347
Bank debits (thousands) ..... $	10,004	— 2	+ 9
End-of-month deposits (thousands)‡ ... $	11,979	— 1	— 2
Annual rate of deposit turnover	10.0	— 2	+ 10

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	July 1959	Percent Change: July 1959 from June 1959	Percent Change: July 1959 from July 1958
SLATON (pop. 6,351[r])			
Postal receipts*	$ 3,214	— 22	+ 39
Building permits, less federal contracts	$ 41,750	— 78	+ 68
Bank debits (thousands)	$ 2,712	**	+ 37
End-of-month deposits (thousands)‡	$ 3,912	— 4	+ 14
Annual rate of deposit turnover	8.2	+ 4	+ 21
Employment (area)	50,700	+ 1	+ 7
Manufacturing employment (area)	5,450	+ 2	+ 11
Percent unemployed (area)	4.0	— 7	+ 23
SWEETWATER (pop. 13,619)			
Postal receipts*	10,668	— 10	+ 15
Building permits, less federal contracts	$ 125,675	— 24	— 10
Bank debits (thousands)	$ 10,947	+ 1	+ 6
End-of-month deposits (thousands)‡	$ 11,451	— 1	+ 5
Annual rate of deposit turnover	11.4	+ 3	+ 8
TAYLOR (pop. 9,071)			
Retail sales			
Automotive stores	— 4†	— 26	+ 15
Postal receipts*	$ 7,313	— 12	**
Building permits, less federal contracts	$ 85,710	+ 9	— 53
Bank debits (thousands)	$ 7,700	+ 6	+ 30
End-of-month deposits (thousands)‡	$ 12,367	**	+ 8
Annual rate of deposit turnover	7.5	+ 7	+ 19
TEMPLE (pop. 33,912[r])			
Retail sales	— 2†	— 3	+ 4
Apparel stores	— 2†	— 3	+ 9
Drug stores	+ 1†	+ 2	— 1
Furniture and household appliance stores	+ 2†	— 4	— 6
Lumber, building material, and hardware stores	— 3†	+ 7	+ 14
Postal receipts*	$ 33,575	— 3	+ 57
Building permits, less federal contracts	$ 288,366	+ 48	— 15
TEXARKANA (pop. 50,784[r])			
Retail sales	— 2†	— 7	+ 19
Apparel stores	— 2†	+ 7	+ 7
Automotive stores	— 4†	— 14	+ 27
Furniture and household appliance stores	+ 2†	+ 13	+ 12
Postal receipts*§	$ 49,893	+ 6	+ 33
Building permits, less federal contracts	$ 147,951	— 2	+ 5
Bank debits (thousands)§	$ 53,195	+ 9	+ 21
End-of-month deposits (thousands)‡	$ 15,650	**	— 4
Annual rate of deposit turnover§	17.6	+ 6	+ 23
Employment (area)	29,050	**	+ 2
Manufacturing employment (area)	3,830	+ 3	+ 4
Percent unemployed (area)	7.2	**	— 26
TYLER (pop. 49,443)			
Retail sales			
Automotive stores	— 4†	— 8	+ 13
Postal receipts	$ 73,261	— 17	+ 21
Building permits, less federal contracts	$ 1,117,183	+ 25	— 7
Bank debits (thousands)	$ 91,521	— 2	+ 14
End-of-month deposits (thousands)‡	$ 60,118	— 1	— 4
Annual rate of deposit turnover	18.1	— 2	+ 18
TEXAS CITY (pop. 30,000[r])			
Retail sales			
Lumber, building material, and hardware stores	+ 3†	— 3	— 10
Postal receipts*	$ 18,816	— 8	+ 56
Building permits, less federal contracts	$ 216,561	— 48	— 51
Bank debits (thousands)	$ 21,047	— 5	+ 4
End-of-month deposits (thousands)‡	$ 10,780	— 3	— 7
Annual rate of deposit turnover	23.1	**	+ 12
Employment (area)	49,050	— 2	+ 1
Manufacturing employment (area)	9,980	— 9	— 10
Percent unemployed (area)	7.4	+ 1	— 5
VERNON (pop. 12,684[r])			
Postal receipts*	$ 11,012	— 12	+ 21
Building permits, less federal contracts	$ 80,750	— 41	+ 55
Bank debits (thousands)	$ 12,825	— 8	+ 11
End-of-month deposits (thousands)‡	$ 18,440	— 4	— 6
Annual rate of deposit turnover	8.2	— 7	+ 17
VICTORIA (pop. 44,188[r])			
Retail sales	— 2†	— 11	**
Apparel stores	— 2†	+ 4	+ 5
Automotive stores	— 4†	+ 4	+ 5
Food stores	+ 2†	+ 7	+ 3
Furniture and household appliance stores	+ 2†	— 8	+ 7
Gasoline and service stations	+ 1†	+ 5	+ 6
Lumber, building material, and hardware stores	— 3†	— 12	— 18
Postal receipts*	$ 30,161	**	+ 29
Building permits, less federal contracts	$ 255,101	+ 22	— 8
WACO (pop. 101,824[r])			
Retail sales	— 2†	+ 7	+ 26
Apparel stores	— 2†	+ 20	— 12
Automotive stores	— 4†	+ 3	+ 38
Florists	.....	— 13	+ 17
Furniture and household appliance stores	+ 2†	— 1	— 2
General merchandise stores	— 1†	+ 12	+ 22
Postal receipts*	$ 145,850	— 7	+ 37
Building permits, less federal contracts	$ 1,193,619	+ 8	— 63
Bank debits (thousands)	$ 111,717	+ 2	+ 14
End-of-month deposits (thousands)‡	$ 65,877	— 5	+ 1
Annual rate of deposit turnover	19.8	+ 4	+ 11
Employment (area)	47,600	+ 1	+ 5
Manufacturing employment (area)	10,410	+ 1	+ 8
Percent unemployed (area)	4.2	— 14	— 30
WICHITA FALLS (pop. 103,152[r])			
Retail sales	— 2†	— 9	+ 10
Automotive stores	— 4†	— 10	+ 16
Lumber, building material, and hardware stores	— 3†	— 5	— 6
Postal receipts*	$ 104,009	— 8	.....
Building permits, less federal contracts	$ 1,033,562	— 67	+ 21
Bank debits (thousands)	$ 129,260	+ 4	+ 26
End-of-month deposits (thousands)‡	$ 103,999	— 3	— 3
Annual rate of deposit turnover	14.6	+ 2	+ 28
Employment (area)	40,950	**	+ 5
Manufacturing employment (area)	3,730	**	+ 4
Percent unemployed (area)	4.0	— 9	— 34

† Normal seasonal change from April to May.

* Postal receipts for Midland and Tyler are for the calendar month. Other cities' receipts are for June 27–July 24.

¶ Reported by the Bureau of Business and Economic Research, University of Houston, for Harris County.

‡ Money on deposit at the end of the month, but excludes deposits to the credit of banks.

[r] Revised for use by the Texas Highway Department.

[u] 1950 Urbanized Census.

** Change is less than one-half of one percent.

§ Figures are for Texarkana, Texas (pop. 31,051) only.

‖ Unusually high increase in building activity figures due to a permit for a U.S. postoffice for $275,000.

BAROMETERS OF TEXAS BUSINESS

	July 1959	June 1959	July 1958	Year-to-date average 1959	Year-to-date average 1958
GENERAL BUSINESS ACTIVITY					
†Texas business activity, index	226	224	197	216	194
Miscellaneous freight carloading in SW District, index	81	85	67	83	76
Ordinary life insurance sales, index	435	409	405	405	365
Wholesale prices in U.S., unadjusted index	119.5	119.6	119.2	119.6	119.3
Consumers' prices in U.S., unadjusted	124.9	124.5	123.9	124.1	123.3
Income payments to individuals in U.S. (billions, at seasonally adjusted annual rate)	$ 384.1	$ 383.8	$ 363.5	$ 377.7	$ 354.7
Business failures (number)	33	33	34	34	36
Newspaper advertising linage, index	184.5	172.6	158.1	176.6	157.7
TRADE					
Total retail sales, index	229*	221r	216r	.....	.....
Durable-goods stores	181*	185r	153r	.....	.....
Nondurable-goods stores	254*	240r	249r	.....	.....
Ratio of credit sales to net sales in department and apparel stores	66.0*	67.8*	65.1r	67.9*	67.5r
Ratio of collections to outstandings in department and apparel stores	37.8*	37.6*	38.8r	36.8*	37.1r
PRODUCTION					
Total electric power consumption, index	401*	393*	358r	366*	327r
Industrial electric power consumption, index	376*	386*	321r	372*	327r
Crude oil production, index	109*	116r	105	120	105
Crude oil runs to stills, index	134	140	136	146	131
Gasoline consumption, index	.....	167	199	.....	180
Natural gas production, index	.....	192	184	.....	182
Industrial production in U.S., index	153	155	134	149	130
Southern pine production, index	.....	86	103	.....	98
Cottonseed crushed, index	123	175	172	164	164
Construction authorized, index	308*	249*	300r	250*	226r
Residential building	298*	268*	334r	285*	252r
Nonresidential building	327*	233*	268r	214*	198r
Cement production, index	204	217	197	205	175
Cement consumption, index	202	200	202	200	170
Cement shipments, index	211	210	212	208	175
AGRICULTURE					
Prices received by farmers, unadjusted index, 1909–14 = 100	293	276	283	283	274
Prices paid by farmers in U.S., unadjusted index, 1909–14 = 100	298	298	293	298	293
Ratio of Texas farm prices received to U.S. prices paid by farmers	98	93	97	95	94
FINANCE					
Bank debits, index	270	268	235	258	231
Bank debits, U.S., index	246	224	215	227	208
Reporting member banks, Dallas Reserve District:					
§Loans (millions)	$ 2,898	$ 2,872	$ 2,605	$ 2,799	$ 2,538
§Loans and investments (millions)	$ 4,531	$ 4,508	$ 4,338	$ 4,513	$ 4,144
Adjusted demand deposits (millions)	$ 2,802	$ 2,714	$ 2,688	$ 2,777	$ 2,648
Revenue receipts of the State Comptroller (thousands)	$102,497	$ 72,541	$ 76,987	$100,607	$ 89,811
Federal Internal Revenue collections (thousands)	$171,985	$249,082	$163,906	$257,366	$257,474
LABOR					
Total nonagricultural employment (thousands)¶	2,447.5*	2,450.4r	2,399.5	2,424.2*	2,385.6r
Total manufacturing employment (thousands)¶	486.3*	489.1r	474.0	482.0*	478.7r
Durable-goods employment (thousands)¶	235.4*	235.2r	223.4	231.1*	228.2r
Nondurable-goods employment (thousands)¶	250.9*	253.9r	250.6	250.8*	250.5r
Total civilian labor force in 17 labor market areas (thousands)	2,125.8	2,099.6	.....	2,086.8	.....
Employment in 17 labor market areas (thousands)	1,963.1	1,936.4	1,792.8	1,922.2	1,790.1
Manufacturing employment in 17 labor market areas (thousands)	373.8	369.2	354.2	364.5	356.9
Total unemployment in 17 labor market areas (thousands)	95.0	98.5	127.4	103.2	121.8
Percent of labor force unemployed in 17 labor market areas	4.5	4.7	.....	5.0	.....

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1947–49, except where indicated; all are adjusted for seasonal variation, except annual indexes.

Employment estimates have been adjusted to first quarter 1958 benchmarks.

* Preliminary.

† Based on bank debits in 20 cities, adjusted for price level.

§ Exclusive of loans to banks after deduction of valuation reserves.

¶ Wage and salary workers only.

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